



MINISTRY OF HEALTH

ADVISORY COMMITTEE ON THE WELFARE OF THE BLIND

REPORT OF THE SUB-COMMITTEE ON MARKETING AND OTHER MATTERS AFFECTING THE EMPLOYMENT AND VOCATIONAL TRAINING OF BLIND PERSONS

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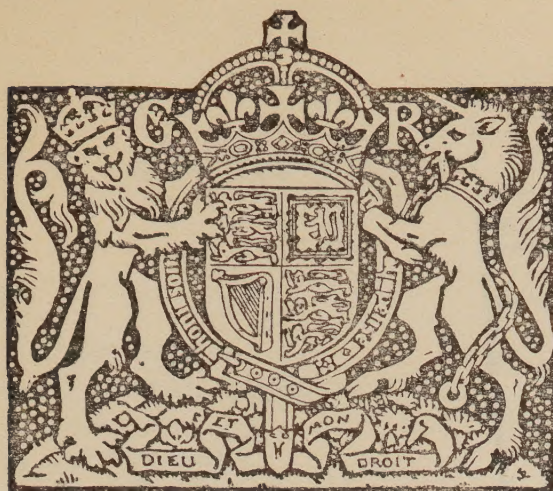
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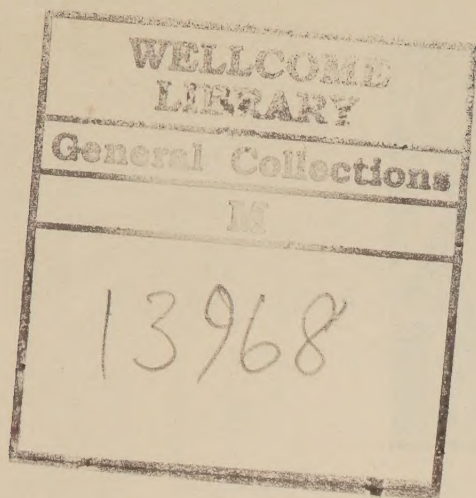
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NOTE.

On the 21st March, 1934, the Advisory Committee on the Welfare of the Blind considered the Report which follows and passed the following resolution :—

“ That the Advisory Committee receive the Report of their Sub-Committee on Marketing and forward it to the Minister of Health with a suggestion that in view of the importance of the subject and of the full marshalling of the facts contained in the Report, and its educative value, he should consider the desirability of its early publication. The Committee recommend that the whole question might again be referred to a subsequent Advisory Committee for still further consideration.”

The Minister of Health has accordingly decided to publish the Report together with two Reservations which have been made by certain members of the Sub-Committee.

May, 1934.

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ADVISORY COMMITTEE ON THE WELFARE OF THE BLIND.

REPORT OF THE SUB-COMMITTEE ON MARKETING.

MR. CHAIRMAN, LADIES AND GENTLEMEN,

1. The Sub-Committee appointed on the 27th April, 1932, to consider the problem of the marketing of goods made by the Blind submit the following report on their investigations.

CHAPTER I.

PRELIMINARY.

Personnel of the Sub-Committee.

2. The Sub-Committee as originally appointed was—

Dr. A. Eichholz, Chairman,
Councillor W. Asbury,
Councillor J. Clydesdale,
Miss L. King,
Councillor E. H. Lee,
Mr. F. T. Owen, and
Dr. J. M. Ritchie.

Mr. F. R. Lovett of the Ministry of Health and Mr. E. L. Turnbull of the Board of Education, agreed to act in an advisory capacity on the Sub-Committee, but they must not be taken as accepting any responsibility for our conclusions.

The following were appointed as additional members at the meeting of the Advisory Committee held on the 25th October, 1932 :—

Mr. B. Purse,
Mr. S. W. Starling, and
Lieut.-Col. H. Willans, D.S.O., M.C.

By the death of Dr. Eichholz, their Chairman, in February, 1933, the Sub-Committee sustained a very severe loss. Councillor Asbury was appointed by the Advisory Committee to succeed Dr. Eichholz as Chairman.

Terms of Reference.

3. The Sub-Committee was appointed with the following Terms of Reference—" To investigate and report on the general matter of Marketing including the disposal of Home Workers' goods ". These Terms were modified at the suggestion of the Sub-Committee at the meeting of the Advisory Committee held on the 25th May, 1932, as follows :—

“ To consider and report on—

(i) The marketing (including advertising and salesmanship) of the products of blind labour whether made in Workshops for the Blind or under Home Workers Schemes :

(ii) To consider and report, in relation to Marketing, on—

(a) The training of blind persons and the arrangements made for passing into employment schemes only those who are economically efficient ;

(b) The supervision of blind workers ;

(c) The business management of Workshops for the Blind and of Home Workers Schemes ”.

4. The revision of the terms of reference was due to the discovery by the Sub-Committee that their primary subject, Marketing, involved a consideration of other matters in their relation to Marketing. These matters, so far as included in the Terms of Reference, were :—

(a) Salesmanship ;

(b) Advertising ;

(c) Training and the passing into employment of only such persons as are economically efficient ;

(d) The supervision of blind workers ; and

(e) The business management of Workshops for the Blind and of Home Workers Schemes.

5. The Sub-Committee have held 17 meetings and examined 13 witnesses, whose names appear in Appendix I of this report.

6. It is most desirable that whenever possible a blind person should be provided with regular employment, not only because he should, as far as his affliction permits, support himself, but also because lack of occupation and interest is the worst consequence of his disability.

7. The object of Workshops for the Blind is to provide the Blind with manual occupation as far as possible on an economic basis. It is not as a rule possible to run such a Workshop without loss but the aim should be by efficient management to reduce such loss to a minimum. Comparison of the losses on different Workshops

cannot be exact until the method of accounting* laid down in Circular 1306 of the Ministry of Health has been generally adopted, but it is clear that the amount of loss varies in a surprising manner between Workshop and Workshop.

8. The handicap of blindness prevents most blind persons from earning a livelihood if they receive only what they earn on a strictly commercial basis. It is necessary therefore to augment their earnings from sources other than trading. A variety of methods of augmentation is in force throughout the country, but it is most desirable that the method adopted should be so worked as not to discourage individual output.

9. The success of Workshops depends largely on the efficiency of the organisation of the sale of goods made by the Blind. Any Workshop manager can keep his workers fully employed if he is prepared to pile up stock indefinitely, and he can keep his stocks down if he is prepared to stand his workers off. The essential and difficult problem in Workshops to-day is to keep the workers regularly employed and sell the products of their labour.

10. In a commercial undertaking the failure to sell at once brings its own nemesis. Such pressure is not always brought to bear on a blind Workshop, which may not keep its trading accounts so accurately as to realise its trading position and, if it does, it has its general charitable fund on which to rely to meet trading losses.

11. The fact that this pressure is absent has other effects, e.g., many Workshop managers are reluctant to adopt measures for greater efficiency which will result in greater output because of the difficulty of marketing the increased output. This premium on inefficiency is perhaps the most serious aspect of the whole problem.

12. The Local Authorities are charged with the duty of providing for the welfare of the Blind and one side of their work is to provide training or employment for all employable blind persons. The Census of the Blind at the 31st March, 1932, shows that there were 3,342 blind workers in Workshops, 1,631 Home Workers and 1,470 in industrial training. The proportion of trainees to the employed is abnormally high, much higher than ordinary industry could bear and, unless the sales of blind-made products can be increased, in proportion to the number of workers entering employment, there is bound to be a serious crisis some day.

13. For all these reasons the Marketing problem is of the first importance and unless it can be solved it may become necessary to restrict the training and employment of blind persons, or in other words to abandon the ideal that every blind person who is capable should be given the opportunity to live a useful and productive life.

* See Form of Workshop or Trading Account in Appendix III.

CHAPTER II.

HISTORY OF THE MARKETING QUESTION.

14. The Association of Workshops for the Blind, shortly after its formation, considered the question of Marketing and published a First Interim Report on the 29th December, 1929. This report affirmed :—

(a) That there was a potential surplus of blind-made goods, defining “ potential surplus ” as including goods which could be produced over and above present sales were all available workers to be fully employed and all available space to be occupied.

(b) That there was need not only for the development of the existing machinery of Marketing but for the introduction of new methods and the exploitation of new markets.

(c) That the problem could best be met by the establishment of a Central Marketing Board charged with the duty of disposing of this “ potential surplus ”.

This report was unanimously accepted by the General Executive of the Association of Workshops and subsequently by the Association in general meeting.

15. This First Interim Report was referred to the Minister, who consulted the Advisory Committee. The Committee approved the proposal. The Minister in his letter of the 12th April, 1930, stated that he was prepared to express his general approval of the principle of the establishment of a Central Marketing Board for the purposes set out in the Report. He promised to consider whether he could assist in the selection of the personnel of the Board. He further stated that he welcomed the attention which was being given to the important subject of the marketing of goods made by the Blind and that he would be glad to be informed of the further progress made by the Association in the matter.

16. In June, 1930, a Second Interim Report was published. In this report the scheme for a Central Marketing Board was worked out in detail and statistics were published which showed that the estimated annual potential surplus of Grade A goods might be taken as £50,000. (For the meaning of the term “ potential surplus ” see paragraph 14 (a) above, and for that of “ Grade A goods ” see paragraph 119 below.) The Report made proposals for the financing of the scheme. This Second Report was also accepted by the General Executive of the Association of Workshops and subsequently by the Association in general meeting in July, 1930.

17. The position in July, 1930, therefore was that the Association of Workshops was committed to the scheme and the Advisory Committee and the Minister had expressed their general approval

of it. At this stage difficulties began because acute differences of opinion arose upon the question of finance. The dissentient members were invited to submit an alternative scheme but failed to do so and it gradually became clear that the opposition was not merely to the financing of the scheme but to the scheme itself. At the General Executive Meeting of the Association of Workshops in October, 1931, it was resolved, but only by a majority, "That some form of central selling agency constituted the most promising means of solution of this pressing problem". A second scheme prepared by Mr. Platt was then considered, which embodied a central selling agency but on a retail rather than a wholesale basis, providing a system of multiple village sales under central direction. The General Executive found itself unable to agree with the second scheme, partly for financial reasons, partly on account of the difficulty of operating in the manner proposed in areas already organised by local societies, and partly for lack of confidence that such methods would provide the necessary sales.

18. In March, 1932, it was decided that no good purpose could be served by the Association of Workshops devoting any more time to the consideration of schemes of centralised marketing. This meant, not only that the opponents of the Central Marketing Board and of Mr. Platt's scheme had carried the day, but (a much more serious matter) that they felt so little interest in the whole subject that they were content to let matters drift indefinitely.

19. It was this deadlock on the pressing subject of Marketing that induced Dr. Eichholz to bring the matter before the Advisory Committee in April, 1932, with the result that this Sub-Committee was constituted.

20. In this report it is proposed firstly to deal :—

(i) with the three primary questions :—

(a) Whether the premises on which the Association based their case for the need of improving marketing methods are sound ;

(b) Whether the proposals for a Central Marketing Board, which have received the approval of the Advisory Committee and the Minister of Health, and, at one time, of the Association of Workshops, should be adopted, or whether there are cogent reasons why they should not be adopted ; and

(c) If the latter, to suggest an alternative method of improving Marketing, and then

(ii) with other matters arising under the Sub-Committee's amended Terms of Reference, under the following heads :—

(1) Workshops (Chapter VII, paragraphs 56 to 72).

(2) Home Workers Schemes (Chapter VIII, paragraphs 73 to 94).

(3) Training (Chapter IX, paragraphs 95 to 118).

(4) Grade A and Grade B Workers, and Second Grade Workshops (Chapter X, paragraphs 119 to 131).

(5) Advertising (Chapter XI, paragraphs 132 to 138).

(6) Costing, Stock Records and Price (Chapter XII, paragraphs 139 to 154).

(7) Surplus and/or Dead Stock (Chapter XIII, paragraphs 155 and 156).

CHAPTER III.

EXISTING METHODS OF DISPOSING OF BLIND-MADE GOODS.

21. Before proceeding to discuss the Marketing problem at (i) above it will be useful to review the existing methods for the disposal of goods made by the Blind. Marketing methods can be classified as follows :—

- (a) Retail shops.
- (b) Wholesale contracts with :—
 - (i) Government.
 - (ii) Local Authorities.
 - (iii) Public Utility Companies.
- (c) Travellers :—
 - (i) Wholesale.
 - (ii) Retail.
- (d) Organised sales of work, garden parties, etc.
- (e) Use of motor vans for retail trade.
- (f) Mail orders.
- (g) Private trade by personal goodwill connection.

Workshops rely mainly on methods (a), (b), (c) and sometimes (f) while Home Workers schemes rely on (a), (d), (e) and (g) and occasionally on (c).

It will be seen from Table I in paragraph 28 what a large preponderance there is of credit sales over ready money sales.

22. We received a considerable amount of evidence on present marketing methods and the difficulties experienced by a number of Workshops. Some witnesses held that wherever practical Workshops should concentrate on wholesale trade. Others, while not denying this, endeavour to develop retail trade as well. Some Workshops develop a considerable trade with the contracting departments of the Local Authorities, e.g., in such matters as brushes for Highways Departments. In this connection we are glad to note the Circulars issued by the County Councils Association and by the Association of Municipal Corporations to Local Authorities urging them to buy goods made by the blind. Some Workshops succeed in obtaining Government contracts. There are, however, difficulties with regard to contracts with Local Authorities, e.g.,

reference was made to an order by a large Local Authority for 50 gross of scavenging brooms, but we were informed that this represented the annual output of only two blind workers. Local Authorities also have to consider other institutions beyond those for the Blind, e.g., when they themselves control poor law institutions or institutions for mental defectives which are also producing saleable goods.

23. Local conditions of course affect markets and special trades can be developed, e.g., in large ports, for the demands of shipping. On the other hand the problem of Marketing in rural areas and small towns is different from that in larger centres. Retail trade may be stimulated by setting up a stall on market days, but an agricultural community is a difficult field for selling. Generally, wholesale trade is developed by the use of travellers and salesmen who are paid either a salary or commission, or both. From figures submitted to us it appears that a traveller would be expected to produce in turnover at least 8 to 10 times what he is paid in salary and commission. This ratio would be affected by the nature of the ground to be covered and the goods to be sold.

CHAPTER IV.

EVIDENCE OF NEED FOR IMPROVED MARKETING.

24. We can now turn to the three matters referred to in paragraph 20 above.

25. The report of the Association of Workshops shows that the blind workers already employed in Workshops for the Blind are capable of producing more goods of the kind which they have been trained to produce than can be disposed of, and such surplus will, during the next few years, tend to increase largely. For the evidence collected by the Association of Workshops on this matter see Tables I-IV below. By "potential surplus" the Association of Workshops meant the margin between the total volume which would be produced were every Workshop to employ on full time every man and woman for whom space could be found, and the volume of goods sold under existing conditions and by existing methods.

26. Colonel Willans stated that trades are at saturation point and that at least 50 per cent. bigger markets are needed.

27. Good Workshops maintain only moderate stocks even though this limitation involves a certain amount of unemployment to the workers. We were informed that unemployment at Henshaw's, in February, 1933, was 35 per cent.

28. The following statistics of sales are based on information collected by the Association of Workshops :—

TABLE I.

Area.	Manu- factured Sales.	Sales manu- factured by other Blind Institutions.	Other factored goods.	Total.	No. of workers.	No. of pupils.	Credit sales.	Ready money sales.
	£	£	£	£			£	£
Southern area— (8 Workshops)	101,787	1,327	14,072	117,186	693	247	92,962	24,224
Western area— (5 Workshops)	15,156	—	3,162	18,318	241	60	9,767	8,551
Northern area— (12 Workshops)	117,373	365	15,384	133,486	795	305	114,970	18,516
Midland area— (9 Workshops)	67,879	1,072	20,360	89,511	473	211	64,132	25,179
Total	302,559	2,764	52,978	358,301	2,202	825	281,831	76,470

The following facts may be noted in regard to this Table :—

(a) that it deals with only 34 of the 60 Workshops, but includes 2,202 workers. The total number of blind workers, on 31st March, 1932, in all Workshops, was 3,342;

(b) that £52,978 of the total sales of £358,301 are factored goods, probably mostly made by sighted labour;

(c) that very little selling on behalf of other blind institutions is done.

TABLE II.

	£
Sales to Government Departments	5,490
Sales to Local Authorities	34,609
Sales to Public Utility Companies	11,424
Sales to Firms for re-sale	49,401
Sales to Private Trade	181,732
	<hr/>
	282,656
	<hr/>

TABLE III.

	£
Sales in Retail Shops	76,699
Sales through Commercial Travellers and Vans	91,546
Sales through other Blind Institutions ...	4,707
Sales through other Agents	3,707
Sales through Mail Orders	24,143
Sales through Private Tender	47,084
Sales through Private Trade	86,829
	<hr/>
	334,863
	<hr/>

The existing turnover is compared with the estimated maximum turnover (see potential surplus referred to above) as follows :—

TABLE IV.

Area.	Existing Turnover.	Estimated maximum turnover.
(1)	(2)	(3)
	£	£
Southern	101,787	174,890
Western	15,156	20,562
Northern	117,737	184,167
Midland	67,879	87,662
	<hr/>	<hr/>
Total	302,559	467,281
	<hr/>	<hr/>

The increase of the figures in column (3) over (2) is £164,722. The Second Interim Report of the Association of Workshops assumes that 30 per cent. of this represents Grade A goods and thus arrives at the estimated *potential surplus* of £50,000.

29. In order to see the problem in perspective, it is necessary to take the production not only of the existing workers but also of those who will be added to the workers on the completion of their training.

30. The Census of the Blind on 31st March, 1932, shows :—

TABLE V.

Total registered blind.	Number of Workshop employees.	Number of Home Workers.	Number employed elsewhere.	Under industrial training.	Trained but un-employed.	No training but trainable.
62,079	3,342	1,632	4,150	1,470	374	643

From information obtained by the Sub-Committee it is clear that a large proportion of the 4,150 employed elsewhere were not economically employed.

31. A Return obtained for the Sub-Committee at 31st March, 1932, by the Board of Education shows :—

TABLE VI.

Number of students under training on 31st March, 1932. (a)	Number of students who will complete course during year ending :—				Total of columns (b) to (e).
	1933. (b)	1934. (c)	1935. (d)	1936. (e)	
1,436	489	381	326	195	1,391

32. On 31st March, 1932, the total of Workshop employees plus Home Workers was 4,974, so that the trainees coming out of training in the next four years will increase this total by more than 25 per cent. Against this must, of course, be set the wastage by death or retirement. This cannot be exactly estimated but information collected by the Association of Workshops shows an estimated wastage of approximately $2\frac{1}{2}$ per cent. per annum (i.e., 10 per cent. in four years) from 30 Workshops and it seems reasonable therefore to assume that the net increase of the labour force during the four years 1933 to 1936 may be about 15 per cent. This may be on the low side seeing that a representative of Henshaw's Institution for the Blind estimated the increase of their Workshop employees at 7 per cent. per annum, that is 28 per cent. in the four years.

33. It is important, not only to know the extent of the potential surplus of goods which must be marketed, but also the situation and extent of the existing local markets. On this subject the Association of Workshops for the Blind have supplied us with the following particulars and the map attached to our Report as Appendix IV.

TABLE VII.

Approximate Total of Blind-made Goods sold by the Workshops and Home Workers Schemes in England and Wales analysed over the Seven Areas of the Counties Associations for the year ending 31st March, 1932.

<i>Northern Area.</i>			<i>North Western Area.</i>		
		£			£
Northumberland	...	8,010	Cheshire	...	7,917
Durham	...	13,996	Denbighshire	...	975
Lancashire	...	86,884	Carnarvonshire	...	1,199
Cumberland	...	1,190	Montgomeryshire	...	400
Westmorland	...	2,300	Merionethshire	...	630
Yorkshire	...	67,409			
			Total		£11,121
Total		£179,789			
<i>South Eastern and London Area.</i>			<i>South Wales and Monmouthshire Area.</i>		
		£			£
Berkshire	...	850	Carmarthenshire	...	1,050
Hertfordshire	...	900	Glamorganshire	...	8,512
Kent	...	4,690	Brecknockshire	...	950
London and Greater			Monmouthshire	...	3,460
London	...	65,910	Cardiganshire	...	1,076
Middlesex	...	7,500			
Surrey	...	6,174	Total		£15,048
Sussex	...	6,076			
Hampshire	...	5,625			
Essex	...	1,771			
Total		£99,496			
<i>Midland Area.</i>			<i>Western Area.</i>		
		£			£
Derbyshire	...	1,500	Cornwall	...	1,665
Nottinghamshire	...	19,176	Devonshire	...	3,933
Leicestershire	...	5,330	Dorsetshire	...	700
Staffordshire	...	12,947	Gloucestershire	...	5,625
Shropshire	...	1,040	Wiltshire	...	791
Worcestershire	...	3,267	Somerset	...	970
Warwickshire	...	21,037			
Northamptonshire	...	5,702	Total		£13,684
Buckinghamshire	...	1,200			
Oxfordshire	...	1,884			
Herefordshire	...	394			
Total		£73,477			
			<i>Eastern Area.</i>		
					£
			Lincolnshire	...	2,306
			Norfolk	...	2,114
			Suffolk	...	1,505
			Cambridgeshire	...	1,230
			Huntingdonshire	...	840
			Bedfordshire	...	1,820
			Total		£9,815

Summary of Area Totals.

	£
Northern Area	179,789
S. Eastern and London Area	99,496
Midland Area	73,477
North Western Area	11,121
S. Wales and Monmouth Area	15,048
Western Area	13,684
Eastern Area	9,815
<i>Grand Total</i>	<u>£402,430</u>

NOTES ON TABLE VII.

The figures in the Table have been obtained from Annual Returns made to the Association for the year ending 31st March, 1932, supplemented by statements of Sales appearing in Annual Reports.

It should be pointed out that the information is not entirely accurate for the following reasons :—

(i) The analysis according to Counties is only approximate, as some Institutions could not supply accurate details of goods supplied to Counties outside their own Areas.

(ii) Several Institutions say their goods were sold only within their respective Counties when it is doubtful if such is the case.

(iii) The figures of Sales relate only to the output of Workshops and Home Workers Schemes.

(iv) Several Institutions being unable to separate sales of their own Blind-made Goods from sales of Factored Goods (both Blind and Sighted), the allowances made for Factored Goods could only be an approximation.

Where no precise details of sales analysed over various Counties could be obtained the total sales of an Institution have been allotted to the County in which the Workshop is situated.

34. The evidence for the need of improved marketing may be summarised thus :—

(a) The Association of Workshops found that there was a potential surplus of £50,000 of Grade A goods. By “ potential surplus ” they meant the difference between the total volume of goods which would be produced were every Workshop to employ on full time every man and woman for whom space could be found, and the volume of goods sold under existing conditions ;

(b) The blind labour force will be increased by about 15 per cent. between 1932 and 1936. Some of these will pass into

Home Workers Schemes, but the influx into the Workshops is at present at a rate which is much in excess of that usual in ordinary industry.

(c) The failure to sell all the goods that could be produced *necessarily* results in one of two things, either—

- (i) accumulation of stock or
- (ii) unemployment among the workers.

It also involves financial loss because, if work is below full capacity, overheads are relatively higher. It leads to slackness in management, because managers lose heart, and will not work to secure speedy and efficient production if this means piling up stock which cannot be sold. Mr. Eagar said that “the most alarming feature of the situation seems to me to be the reluctance of the Blind industrialists to improve processes for fear that they should be landed with more products to dispose of. On that ground alone an improvement in marketing methods seems to be called for”. We have heard of cases in which it is actually urged that an increase in efficiency of production would be bound to result in much greater production and consequently would increase the existing difficulties of disposal of goods. This statement illustrates the close connection between Marketing and Production and the futility of improving the latter without a corresponding improvement in the former. The power to sell the goods made ought to govern Workshop policy.

(d) Some markets are only sporadically exploited, while areas round big Institutions are intensively worked. There are large areas in England and Wales which are hardly worked at all. These areas should be exploited, both for wholesale and retail orders.

35. The Sub-Committee see no reason to doubt the conclusion reached by the Association of Workshops to the effect that there was a potential surplus in blind-made goods and that of this the value of the surplus of Grade A goods would certainly amount to £50,000 and, having regard to this and to the information obtained by the Board of Education as to the estimated number of trainees who will be entering the industry during the four years 1933-1936 the Sub-Committee agree that a clear case has been made out for improved Marketing methods.

“Potential Surplus” is used here as meaning the difference between (a) the total volume of goods which would be produced if all the existing Workshop employees were working full time and if the new entrants trained for employment in Workshops were provided with full employment on the completion of training, and (b) the volume of goods sold under existing conditions and by existing methods.

36. The definition of the Association of Workshops, which is quoted in paragraph 25, was the margin between the total volume which would be produced were every Workshop to employ on full time every man and woman for whom space could be found and the volume of goods sold under existing conditions by existing methods. On the Sub-Committee's view of the potential surplus the estimate might work out higher than the estimate of the Association.

CHAPTER V.

EXAMINATION OF MARKETING SCHEMES SUBMITTED TO US.

37. A solution must depend on a greater measure of co-operation between the selling agencies of the various Workshops and Home Workers schemes. Hitherto progress has been held up by the failure to evolve a satisfactory method for such co-operation. The only detailed scheme which has been worked out is that of the Central Marketing Board. Mr. Platt has also sketched a scheme for a central system of retail trading.

38. We propose first to examine these schemes and the evidence which we have received for and against them.

39. Evidence in favour of a scheme for a Central Marketing Board was given to us by Col. Willans and Mr. Starling who also furnished us with the Reports on the subject published by the Association of Workshops for the Blind. This evidence may be summarised as follows :—

Evidence in favour of a Central Marketing Board.

40. The Central Board would be charged with the duty of marketing *such portion* of the output or potential output of Workshops or Home Workers schemes *as cannot be disposed of by existing machinery*. The Board would consist of a Chairman (of national reputation), a Vice Chairman, three members and a Secretary and Manager. It would be an independent body, acting under a constitution (to be drawn up) which would provide for consultation on the part of the Board with the Association of Workshops. If the Board desire, they can be assisted by Area Advisory Committees set up by the Association of Workshops. The function of the Board would be to do *what the ordinary selling agencies cannot do*. The Board would in the first instance get into touch with Local Authorities, public institutions, public utility undertakings and large firms in areas in which blind-made goods are not at present extensively purchased, to secure wholesale orders which the Board would distribute among Workshops or Home Workers Schemes needing such work. This work would be distributed by the Board at the contract price, less an agreed

percentage to cover their costs in whole or in part, to the Workshop or Home Workers Schemes which either (a) geographically, (b) through need of work or (c) through special aptitude for that kind of work, are the most suitable. The Board would be free to employ any other method of marketing also, except that they would not purchase from firms employing sighted labour goods which could be made by blind labour. The Board's efforts would be stultified if the quality of the goods supplied to its customers were below the standard contracted for by the Board. The Association of Workshops therefore proposed to institute a National Mark to be awarded to Workshops and Home Workers Schemes which satisfy the Board that they are able to produce a certain proportion of Grade A goods and the Management of which is held by the Board to be competent to affix the Mark to such goods, and such goods only. The Mark would be awarded for use by departments in respect of a specified list of goods, and not to Workshops or Home Workers Schemes as a whole. *The scheme would turn on the maintenance of a high standard of quality* and the Board must have power to remove from the list of contracting Societies such Workshops or Home Workers Schemes as may supply goods below the standard of quality. In order to finance the scheme it was proposed that the Board should retain $7\frac{1}{2}$ per cent. (or such other percentage as shall be found sufficient) of the selling price of all orders placed by the Board and executed for them by a Workshop or Home Workers Scheme. Special methods of finance might be necessary for the first twelve months. The Board would confine its attention at first to Grade A goods but according to the Association's Report it was hoped to extend its activities to Grade B goods later.

41. Colonel Willans urged that :—

(i) the ideal was the amalgamation under unified control of groups of Workshops who could thus afford to employ salesmen of a calibre beyond the resources of single institutions.

(ii) Failing such amalgamation, central direction of marketing of products which cannot be disposed of by the existing machinery seemed to him the most practicable solution of existing problems.

(iii) It is undeniable that a potential surplus exists and that blind-made goods do not find their way into all markets.

(iv) Of equal importance to the disposal of the surplus will be the discipline which the scheme will impose on Workshops to maintain the quality of goods produced. Enhanced quality will in the end mean increased public demand. Advertising will be dangerous until quality is standardised.

(v) Blind Workshops must offer for sale what the public want rather than what blind workers happen to be in the habit of making, and the quality must be up to reasonable commercial

standards. If Workshops or Home Workers Schemes have no effective selling organisation, they have no means of knowing what the public want.

(vi) The price in wholesale trade must be competitive. One of the objections raised to the scheme in its early stages was that there was no difficulty in selling at current wholesale prices but that such prices involved too severe a loss on institutions. This, Colonel Willans said, was unsound. Generally goods must be sold at either current wholesale prices or current retail prices. Unless all can be sold retail, there is no option but to accept wholesale prices for a portion of the output. There is in fact no possibility of disposing of all output retail. This is why the Board should aim at big wholesale contracts.

(vii) A centralised body like the Board could do what no individual Workshop can do, viz., experiment with new designs with which to test the market, and study new lines of production.

(viii) Blind persons are being trained without any serious regard to the possibilities of employment a few years hence, and it is essential that this promiscuous inflow should be regulated.

42. Mr. Starling in his evidence said that central marketing was accepted as sound in the sighted world. In the tobacco and chocolate trades there was a central sales organisation which exercised no detailed control over local production and in which there was a lack of uniformity in production costs.

43. The difficulties which must be faced by any scheme of co-operative selling may be summarised as follows :—

- (a) Lack of uniformity of quality.
- (b) Price.
- (c) Payment of commission.
- (d) Divided financial control.
- (e) Apportionment of work between individual Workshops.
- (f) Refusal to pass goods not up to standard.

Evidence against a Central Marketing Board.

44. Practically all the evidence given by persons other than members of the Committee was hostile to the proposed Central Marketing Board. The objections may be classified into :—

- (a) *A denial of the need for a Board.*

Some witnesses were inclined to think that the present difficulties were due to the general business depression and one or two doubted the correctness of the estimate of the potential surplus of grade A goods at £50,000. Some witnesses thought there was no real difficulty in disposing of Grade A goods, but

this was denied by others. As already indicated in paragraph 35, we see no reason to doubt this estimate of £50,000.

(b) *The importance of local markets, local knowledge, and local goodwill which would be lost to the Board.*

Several witnesses urged that Workshops can best sell locally and that Local Authorities and larger consumers were more likely to buy locally than from a central organisation in London. This criticism is based on a misapprehension. The Central Marketing Board was intended to deal only with surplus goods, i.e., goods which could not be sold locally.

(c) *The cost of the Board.*

One of two witnesses regarded the financial proposals as impracticable. These involved a commission of $7\frac{1}{2}$ per cent. on a turnover of £30,000, and a guarantee of £2,000 a year for the first three years. Clearly the cost of the Board must be an additional charge on production, but if it produced extensive markets the cost would be recouped. Finance would become practicable as soon as people became convinced of the necessity for the scheme.

(d) *Objections based on the effect of the Board on existing selling organisations.*

Some witnesses thought that even if the Central Marketing Board confined its attention to surplus Grade A goods it might still overlap and interfere with the work of the existing travellers of the institutions. These objections also were based on a misunderstanding of the contemplated functions of the Central Marketing Board.

(e) *Unwillingness of Institutions to co-operate.*

One witness told us that the Scheme was impracticable "because the Workshops would not have it". Another said that local organisations regard their autonomy jealously.

(f) *Difficulty of the Board in enforcing the quality of goods.*

The proposals for securing quality through a National Mark are described in paragraph 40. One witness was sceptical of the practicability of the scheme partly because it was proposed to confer a mark of quality without any unified scheme of inspection before branding, and partly because a Board would "bottle-neck" the inspection. This objection again is, as will be seen from the detailed proposals for a Central Marketing Board set out in paragraph 40, based on a misapprehension.

Regional Marketing Schemes.

45. A large number of witnesses, while objecting to the Central Marketing Board, proposed some kind of regional marketing scheme, while Mr. Johnson thought that regional schemes were no better than the Central Marketing Board.

46. Various kinds of regional scheme were submitted as follows :—

(a) Mr. Thurman considered that much might be done by making the existing selling organisations more efficient, particularly by offering salaries sufficient to attract good salesmen. If this failed he would prefer that some big institution should organise a regional scheme, and he would advocate a national scheme only after the other methods had been tried and had failed.

(b) A totally different regional scheme was propounded by Mr. Platt. His scheme is a retail one, though it also envisages a Central Board. He thinks that the Board should sell through the ordinary retailer, or, alternatively, promote annual sales in every town and village. He would divide the country into 23 areas and suggests that the Workshops Association should establish a national sales organisation called “ Blind Craft ” which would buy blind-made goods from Workshops and Home Workers Schemes at agreed prices (not market prices) for sale direct to the public through annual sales. Each of the 23 sales areas would be under the control of a regional committee formed by the local Workshops and County Associations. The regional committees would advertise the sales and would issue propaganda to educate the people in buying from the blind. The central committee of “ Blind Craft ” would consist of one representative from each regional committee and one from each Blind Workshop or Home Workers Scheme and this general committee would meet annually to elect a Board of Directors consisting of three representatives of the regional committees and three from the Workshops. The Chairman should be a man of national reputation. It is an essential part of this scheme that there should be standard patterns in such trades as basket-making, brush-making, mat-making and round machine knitting and three figures should be laid down at the outset :—

(i) The cost of production of each standard pattern in the more efficient Workshops ;

(ii) The price to be paid by “ Blind Craft ” to the Workshops ;

(iii) The retail selling price.

Pastime workers might be helped but their work would not carry the “ Blind Craft ” label and a selling commission of, say, 10 per cent. should be charged. In no case would a regional committee be allowed to place orders direct with Workshops and Home Workers Schemes. They would obtain all their requirements through the Board. The cost of working each regional depot would probably not be less than £1,400 per annum and of the central office £1,600 per annum.

The scheme of Mr. Platt was submitted to the Workshops Association, who could not see their way to adopt it.

(c) Mr. Platt, in his evidence to us, described a different scheme called the "Blindcraft Guild" in Hull. Local sales have been developed by the Hull Institution in the East Riding and in the year ended 31st March, 1931, they promoted 76 sales in villages, at each of which on the average £27 worth of goods were sold. $£27 \times 76 = £2,052$. This is a thinly populated agricultural area and in many parts of the country the average should be at least £35 per sale. Mr. Platt thought that other areas ought to dispose of £5,000 worth. The "Blindcraft Guild" was started in Hull in September, 1932. Fifty volunteers were obtained and the Institution's own employees had secured a number of members. Two partly sighted paid canvassers were appointed and the members of the Guild were regularly canvassed. Church organisations were assisting the scheme. Each member undertook to buy blind-made goods at sales, the goods being mainly household requirements like brushes, baskets, etc. A system of paying in sums weekly, banking the receipts and, just before the sales, issuing vouchers entitling the contributor to buy up to the amount of his deposit, has been adopted at Hull. It was stated that similar ticket schemes had been in operation at Bolton and Oldham. The Guild Scheme aims at developing retail trade and encouraging sympathetic purchases. Wholesale trade at Hull is developed separately. Mr. Platt regarded a priced catalogue of the goods obtainable as absolutely essential. He also said that they had found a tea committee convenient in connection with each sale. The profits of teas are given to the Institute and last year amounted to £90. The main object of providing tea is to keep customers at the sale.

(d) Mr. Cooper considered that area selling organisations are essential. He regards local interest, at any rate outside London, as most valuable in assisting sales. The working of areas not yet touched could be more efficiently organised by area sales agencies than by a Central Marketing Board. Mr. Cooper said that the objection that different conditions prevail in different areas and that a standardised national scheme is therefore impossible would apply also to a regional scheme because there might be competition between regions. His regional scheme would require some form of central organisation to place the orders which could not be executed in one region with another region but he thought the Workshops Association could do this. Mr. Cooper said, in reply to a question, that he thought that his proposals, while they might be very suitable for big industrial areas, would be equally

efficient in scattered areas. With regard to quality, Mr. Cooper thought it would be easier to level up standards regionally than nationally. He said that wholesale as well as retail orders should be looked for in districts outside those already worked by institutions. Mr. Cooper said he contemplated about twenty regions.

(e) Mr. Dunning was in favour of giving a trial to a regional scheme but in his view Workshops should develop the wholesale trade wherever practicable. He said that there would be advantage in greater co-operation of large Workshops regionally. He quoted Bradford, Leeds, Liverpool, Manchester and Bolton as a possible group and said he would willingly serve on a Joint Committee for this purpose.

(f) Mr. Purse contemplated regional trading schemes which should bring together the chief executive officers of each agency and also the sales organisers to hammer out schemes of trade and eliminate competition among themselves. He suggested areas like Cumberland, Westmorland, Northumberland and Durham for one, Yorkshire for a second, Lancashire for a third, the Midlands and Eastern for a fourth, the South for a fifth and the South Western for a sixth. He would not deprive the individual organisations of administrative control.

(g) Mr. Eagar suggested for our consideration that a regional selling company could, in a given area, handle the products of the Home Workers Scheme and also dispose of a considerable amount of goods from Workshops which sell or might sell in the area. Essentials to success are that the company should sell at a reasonably competitive price and that it should use without hesitation or false shame the appeal "Buy from the Blind". It should not, he thought, sell anything made by sighted workers. Good salesmanship would be necessary and some publicity and advertising. He contemplated the establishment of a number of such companies in different parts of the country.

Regional Boundaries.

47. It must be borne in mind that regional schemes involve questions of boundaries, which a national scheme avoids. It is very difficult to draw a boundary which does not cut across some other Blind Association's boundary. Are regions to be self-contained so that one region may not sell in another region? If so, the country will be divided into rigidly separated areas and big orders will be difficult to execute. If not, the case for regions is to that extent weakened. It is said that some Institutions regarded their area as their own preserve and resented the intrusion of other Institutions. Mr. Purse thought no Institution ought to object to another Institution selling in its area if the price were fair.

CHAPTER VI.

CONCLUSIONS AND RECOMMENDATIONS ON MARKETING.

48. The evidence submitted to us shows that of the total sales of goods made by the blind Workshops and Home Workers Schemes approximately 75 per cent. were sales in bulk, the remaining 25 per cent. being retail sales. No scheme, therefore, of retail selling alone will meet the problem. As to sales in bulk, the Sub-Committee consider that the best solution would be along the lines of the Central Marketing Board, proposed by the Association of Workshops, but it seems clear from the evidence that such a scheme would involve so much local opposition that it must be regarded as impracticable at the present time. In considering alternative proposals the Sub-Committee find it necessary at the outset to decide whether such proposals should deal with all sales in bulk or, as in the Central Marketing Board Scheme, only with the surplus and potential surplus after the individual Workshops and Home Workers Schemes have dealt with all goods which they can dispose of.

49. If the first alternative were chosen certain consequences would be bound to follow, either immediately or ultimately. The immediate consequence would be the taking over from the Workshops and the Home Workers Schemes of their existing selling organisations except so far as they dealt with retail sales, and we hesitate to recommend such a radical change in the hope that a new and untried organisation would be able to deal effectively with the problem. Even if, as we suggest below, co-operative marketing were organised on a regional basis, the ultimate consequence of such a proposal might extend far beyond mere co-operative selling. Any Regional Marketing Board dealing with the greater part of the output of Workshops and Home Workers Schemes would have to secure that the articles they were selling were up to the sample which they are purporting to sell, and they would necessarily have to interfere in the production of Workshops and Home Workers Schemes which produced goods which did not reach this standard, or else refuse to sell their goods. The latter alternative would be impracticable if the organisation of these institutions for wholesale selling had been scrapped. In a word, the control of marketing by Regional Board logically involves control of the Workshops and Home Workers Schemes as production units, and thus makes wholesale amalgamation inevitable.

50. We are agreed that Workshops employing only a small number of work-people cannot in ordinary circumstances be economic units, and amalgamation or co-operation with bigger Workshops is desirable, but we realise that it will be difficult,

owing to local sentiment, to secure the amalgamation which we consider so desirable. Amalgamation may also be desirable between large Workshops. We are not, however, prepared to recommend a scheme of marketing which would force the amalgamation issue everywhere regardless of local circumstances.

51. We therefore turn to the alternative proposal that co-operation in marketing should be limited to the marketing of the surplus and potential surplus, leaving the existing organisations to continue to dispose of their goods so far as they are able, and to improve in every possible way the machinery for this purpose. We regard the need for co-operation for the disposal of the surplus and potential surplus as imperative and if we are right in regarding the proposals for a Central Marketing Board as impracticable at the present time, we regard it as essential that such co-operation should be organised regionally. We are of opinion that the regions should be based on the areas of the existing Counties Associations, although these may need to be modified by combination or division. Each of these regions should have a regional sales organisation forming a Regional Board under a Committee of Management on which Workshops and Home Workers Schemes in the region should be represented. Such a Regional Board will probably find it necessary to appoint a salesman or salesmen for the disposal of the surplus and potential surplus. Orders obtained should be allocated among the various Workshops and Home Workers Schemes in the region by the Management Committee of the Regional Board, so as to ensure that each Workshop and Home Workers Scheme benefits by such orders so far as it is able to produce the particular class and standard of goods required. The Regional Board must, of course, have the power to refuse to sell articles which are not up to the required standard. The Regional Board will primarily interest themselves in bulk sales, but we do not suggest that they should of necessity refrain entirely from ordinary retail selling if they can do this without over-lapping the existing retail organisations.

52. With regard to finance the Regional Board will, just as in the proposal for a Central Marketing Board, require to retain a commission on the selling price of all orders executed by them, to cover their current expenditure, and the amount of this percentage can only be decided regionally as the result of experience. The initiation of the scheme will involve the raising of a capital sum to finance the Regional Board until the commissions begin to be received, and the Board to function regularly. Such a fund could be raised if the need for co-operative selling machinery was apparent and we hope that the considerations we have urged above will make those responsible for the welfare of the Blind realise the need of such a scheme.

53. We further consider that it is essential that there should be close co-operation, which does not at present always exist, between—

(a) the organisations selling goods made in the Workshops and by Home Workers and

(b) those responsible for disposing of the produce of pastime workers,

so as to avoid over-lapping.

54. We are of opinion that the scheme of retail selling at present being operated in Hull and the East Riding is an interesting experiment, but that it is too early to form a conclusion as to its permanent value. It may prove of great value in disposing of goods retail, but, for the reasons stated above, we regard it as essential that trading in bulk should be organised and we do not consider that the problem can be solved by retail methods alone.

55. We should not like it to be thought because we have recommended the organisation of a regional scheme for the marketing of the surplus or potential surplus that therefore we are indifferent to the improvement of the existing marketing arrangements of the various Workshops and Home Workers Schemes. On the contrary, we strongly urge all Workshops and Home Workers Schemes to push on with the development of their marketing organisations as fully as possible. Improvement may be possible in one, by more systematic canvassing of contracts from public authorities; in another, by the appointment of a competent traveller; in a third, by moving the retail shop from an unsuitable place to a trading centre; in a fourth, by a complete reorganisation of the selling machinery. We include below paragraphs dealing with costing, stock-taking and other matters which may assist institutions and we hope that they will review their marketing methods in the light of our Report and will develop them to the utmost.

CHAPTER VII.

WORKSHOPS FOR THE BLIND.

Statistics.

56. As shewn in Table V in paragraph 30 there were on 31st March, 1932, 3,342 blind persons employed in Workshops for the Blind. The average ratio of blind persons in workshops to the total blind population is 1 in 19. The Northern, South Eastern and London, Midland and South Wales Counties Associations approximate to this ratio. In the Western Counties it is 1 in 34; the North Western and Eastern areas show very little Workshop employment; 1 in 63 and 1 in 70 respectively.

57. The following Table shews the number of blind persons in each area classified under Workshops and Home Workers Schemes :—

TABLE VIII.

	<i>Workshop employees.</i>	<i>Home Workers.</i>
South Eastern and London		
Counties Association	759	515
N.W. Counties Association ...	59	111
Midland Counties Association ...	529	311
Eastern Counties Association ...	52	134
S. Wales Counties Association ...	243	21
Western Counties Association ...	188	145
Total ...	<hr/> 3,342 <hr/>	<hr/> 1,631 <hr/>

This Table shews that in the Western, North Western and Eastern areas where the number of Workshop employees is low the deficiency of employment is to some extent made up by the number of blind persons in Home Workers Schemes.

58. Statistics of sales based on information collected by the Association of Workshops are given in Table I in paragraph 28.

The need for special Workshops for the Blind.

59. We agree with Mr. Purse, who told us in evidence that he regarded Workshops for the Blind as an integral part of any well-considered scheme for the welfare of the Blind and pointed out that Workshops for the Blind were needed even in Germany, where the Disablement Act is in force under which employers are compelled to employ a percentage of disabled men including the blind. He held that the advantages offered by Workshops are that the workers work for *wages* and during settled hours of labour and do not, as most Home Workers do, work irregular hours and receive, *not wages, but the price of the goods they produce*. The Workshop employee is insured under the National Health and the Unemployment Insurance Acts, the Home Worker is only insured when he works under such conditions that a contract of service can be inferred. The Workshop employee also receives a number of other direct benefits.

The true function of Workshops.

60. We find that there are two definite schools of thought with regard to the true function of a Workshop for the Blind. One view is that a Workshop should be a business undertaking producing goods for sale and conducting the undertaking as far as possible on competitive business lines. The other view implies

a certain subordination of business considerations to charitable practice. We have, for example, evidence that some Workshops tend to be regarded as mere occupation centres in which the payments to the blind workers have little or no regard to their output. In one case output was restricted, not so much because of inability to sell the goods produced, as of a cut in expenditure imposed for other than business reasons. We regard such an attitude as destructive of the whole idea of Workshops. In the view of the Sub-Committee the proper function of a Workshop is to give efficient blind workers an opportunity of an independent economic life and not merely to provide occupation for the blind without due regard to their efficiency.

Is there need to limit the number of blind persons entering Workshops?

61. Mr. Cooper in his evidence said that he would not, at any rate at present, restrict entry to the Workshops because he contends that efficient regional organisation could increase markets, and so occupation in the Workshops. Mr. Johnson said there were 12 trainees and blind persons under training in the Bradford Workshops and he did not anticipate any difficulty in absorbing them. Workers at Bradford were now retired at 65, and 6 so retired in 1931.

62. We are of opinion that the limitation of entrants to Workshops is not necessary if the marketing problem can be solved.

63. We agree that the possibility of pensioning older workers should be considered. This would make room for younger men and women and tend to increase efficiency.

Removal of inefficient workers.

64. We are satisfied that there are a proportion of workers in the Workshops whose inefficiency is a drag on the whole undertaking and who could be more suitably assisted as unemployable persons. We are, therefore, of opinion that inefficient workers who fail to become efficient after being given every opportunity should be removed from Workshops and Home Workers Schemes.

New occupations, use of power driven machinery and greater dilution by sighted labour.

65. We think it may be useful in the first instance to summarise the evidence which we have received on these subjects.

66. Mr. Purse was of opinion that existing industries in Blind Workshops are too few and are "Cinderella" occupations. In spite of the objection which is often raised to the introduction of more sighted labour into Blind Workshops, he considers that if three blind workers could be employed to every sighted employee

in new occupations, such new occupations should be started. Additional machinery would enable Workshop managers to extend the number of industries and also to extend the variety of articles in the existing trades with a greater dilution of sighted labour. Mr. Starling, while not opposing Mr. Purse's view, said that care must be taken to see that machinery did not displace blind workers. Mr. Owen thought that blind men with some measure of sight could produce machine made brushes.

67. As an example of the existing variety of trades in a large Workshop we may quote evidence which we received regarding Henshaws Institution. They make furniture, brushes, baskets, mops (a new industry, easy for blind women, for which there is a brisk demand); bedding, including ordinary, spring interior and tufted mattresses (it was stated that they can weave their own ticking as cheaply as, but of better quality than, they can buy it); machine knitting, flat and round; mats and matting (they say they can do their own fibre dyeing at about $\frac{1}{2}$ d. a lb. compared with the current outside price in Lancashire of $2\frac{1}{2}$ d. a lb.); piano tuning (all "outdoor" work) and boot and shoe making and repairing. They sell a fair quantity of new boots and shoes to the public. They were doing a good business in furniture, mats, machine knitting and upholstery and so far as these trades are concerned they could not agree that blind industries are depressed.

68. Mr. Priestley spoke of the need for research into new occupations and said that the development in recent years of typewriting, woodwork, boot repairing and flat machine knitting was an example of what could be done. Mr. Dunning supported the view that new industries were needed. He agreed that some blind people could operate power-driven machinery, such as boring, trimming, and sandpaper machines in brush making, and sewing machines, but the operatives would have to be very carefully selected. We understand that power-driven machinery is in use in Nottingham and Manchester, but that it is operated by technically blind employees who have some measure of sight. Mr. Purse said that at the Siemens-Schuckert works in Germany power driven machinery, fitted with safety devices, is operated by the totally Blind. Mr. Clydesdale said there was nothing new in employing persons who were blind within the meaning of the Act on power-driven machinery, though many managers were nervous of making use of such plant.

69. A research into employment problems, new trades for the Blind, methods of Workshop management, the possibility of employing blind persons elsewhere, and other cognate matters, has been conducted for some time past by the Placement Sub-Committee of the National Institute for the Blind, with the co-operation of the Association of Workshops for the Blind and the National Institute of Industrial Psychology. That Sub-Committee are now

investigating the question of new occupations in workshops for the blind and have appointed an officer to conduct investigations on their behalf. His salary and expenses are, it is understood, being paid by the National Institute, assisted by one or two Workshops. He is touring the country looking for new outlets for blind labour, and it is hoped that arrangements will be made for anything he thinks suitable to be tried out in a Blind Workshop. That Sub-Committee have also studied the question of the amount of sighted supervision required in Workshops for the Blind.

70. The Placement Sub-Committee have published two Bulletins :—

(a) N.I.B. Bulletin No. 1 in April, 1930, dealing in particular with (i) the possibility of developing new industries on a sub-contracting basis, either in existing Workshops or in new Workshops for the Blind especially designed for manufacturing articles or components used by ordinary industrial firms, and (ii) the discovery of operations and processes suitable for the Blind in factories employing sighted labour. Other subjects which the Bulletin describes as coming under the Placement Sub-Committee are (iii) Examination of present day Blind Workshop methods with regard to (a) management, (b) marketing; (iv) the possibility of developing new industries in existing Workshops for the Blind and (v) the means of increasing the number of blind entrants in the " professions " ;

(b) N.I.B. Bulletin No. 5 in December, 1933, on Basket-Making by the Blind.

71. Workshops for the Blind have for over a century relied on the production of handmade goods, and so far as a demand for such goods continues they should continue to carry on such trades. But it must be recognised that with the steady encroachment of the methods of mass production by machinery on to the field of handmade products, the prospects of the latter will become steadily worse. It is, in our view, essential that the Workshops should move with the times by ascertaining what the public wants and endeavouring to supply its needs, rather than by continuing to produce articles which the Blind have been in the habit of making, irrespective of the public's need for such articles, at the price which the cost of production demands. For this reason we welcome any research which aims at finding new products for the Blind to make, and if this involves the production of machine-made goods we consider that this should be frankly faced. Four main factors are involved :—

- (i) The ability of the blind person to carry on the process ;
- (ii) The possibility of finding a market for the goods at a price in relation to the cost of production ;
- (iii) The fitting of the power-driven machines with safety devices, where necessary, on the lines followed at the Siemens-Schuckert Works and elsewhere ; and

(iv) The dilution of blind labour with a greater proportion of sighted labour.

72. With regard to this last factor, a certain prejudice against the employment of sighted persons in Workshops for the Blind must be overcome. If, taking a broad view, the market for hand-made goods is dying, it becomes imperative to explore the possibilities of using power-driven machinery and this will necessarily involve the introduction of a proportion of sighted labour. But if the employment of 10 sighted men can be made to lead to the employment of 30 or 40 blind persons in producing articles for which a ready sale could be guaranteed, we believe that a great step forward would have been taken in the employment of the Blind.

CHAPTER VIII.

HOME WORKERS SCHEMES.

The Aim and proper functions of a Home Workers Scheme.

73. It is not practicable to build a large number of small Workshops all over the country; for one reason, because the smaller the Workshop the less economically efficient it tends to be. For certain occupations (e.g. for most piano tuning) the only appropriate form of organisation is that of a Home Workers Scheme. For all occupations in areas where, for one reason or another, Workshops are impracticable, Home Workers Schemes are the only form of organisation available. While we favour the development of new Workshops where conditions are favourable for a new unit of sufficient size, we realise that there will always be a number of blind workers who will need the help of a well organised Home Workers Scheme. Further, Workshops are a method of employment essentially urban in character and, while there may be one or two Workshops in small towns, it is not possible to provide organised employment for blind persons who live in rural conditions otherwise than by Home Workers Schemes. In theory it should be possible to provide Workshop employment by sending rural workers into the towns to work in the Workshops, but such a proposal often encounters strong resistance from the rural worker. For all these reasons the Sub-Committee are of opinion that Home Workers Schemes are a necessary part of the organisation of employment for the Blind.

74. Once this position is established, the best method of organising the Home Workers Schemes becomes a matter of great importance. There are, in the Sub-Committee's opinion, far too many small Home Workers Schemes. The Handbook on the Welfare of the Blind sets out what services a good Home Workers Scheme should render to its members, and these services involve

skilled supervision and some business organisation, especially for marketing goods. It is practically impossible to secure efficiency in these services in very small Schemes which cannot afford skilled supervisors in each of the trades practised, and which have not the business facilities of a large organisation to fall back on. It is therefore important that Home Workers Schemes should be large enough to be able to afford this organisation, and in our view the whole country should be organised so as to be covered with a network of large Home Workers Schemes. In point of fact more than half of the Home Workers are in 6 Schemes, as follows :—

	<i>About.</i>
National Institute (Home Counties and London South of Thames)	280
Swiss Cottage (Home Counties and London North of Thames)	240
Birmingham Institution (Staffs., Worcs., Warwicks, Hereford, Salop)	155
Nottingham Institution (Derbyshire, Notts. and the three Parts of Lincoln)	88
Exeter Institution (most of Devon, South Somerset, and Dorset)	58
Bristol Institution (Glos., Wilts, and North Somerset)	55
	<hr/>
	876
	<hr/>

75. While the general views of the Sub-Committee are set out above, some of our members have urged specific criticisms against Home Workers Schemes.

76. It was urged that the Home Worker is not in as satisfactory a position as the Workshop employee, because he suffers through lack of supervision (so that his output and the quality of his work suffer, and standardisation of his products becomes impossible), and through a lower scale of augmentation than is paid to the Workshop employee. Some members questioned whether it was possible for Home Workers to attain a satisfactory standard of workmanship, but Mr. Starling, as head of the Birmingham Home Workers Scheme, assured the Sub-Committee that it was quite possible. Mr. Purse, in evidence, argued that the inferior position of the Home Worker, both as regards supervision and the marketing of his goods, should be met by the provision of additional supervision and augmentation. We agree that every Home Workers Scheme should provide adequate supervision and, if a proper standard of efficiency is maintained, we see no reason why a distinction between the rates of augmentation of Workshop employees and Home Workers should be made to the prejudice of the Home Worker.

77. There is no doubt that if the marketing of Home Workers' goods could be made satisfactory, the economic position of Home Workers would be greatly improved. It must be remembered that a number of the Blind prefer the independent position of a Home Worker, are unwilling to leave their homes, and refuse Workshop employment when this is offered to them. One of the advantages of a Home Workers Scheme is that it can assist a blind worker who desires to develop a business of his own as independently as is practicable. We were told that 60 per cent. of the Home Workers in the Birmingham Scheme needed no assistance at all from the Selling Department of the Scheme, and while, of course, they receive augmentation, they are, apart from this, generally independent of financial assistance from charitable sources and live the same life as sighted persons in similar circumstances.

78. One member of the Sub-Committee, while agreeing that a Home Workers Scheme might be very suitable for rural conditions, questioned its utility in County Boroughs where there is a Workshop for the Blind. No doubt the Workshop is the most suitable place of employment for those blind persons who work in the trades practised there, but there are some occupations (e.g., piano tuning) which are not usually suitable for Workshops, and there are always some blind workers who prefer to carry on their own business outside the Workshop, and the Home Workers Scheme can assist them.

79. After fully weighing the arguments for and against Home Workers Schemes the Sub-Committee are unanimously agreed that Home Workers Schemes are justified when, for one reason or another, efficient Workshops are not available or practicable, but that such Schemes should be regarded as supplementary, and not alternative, to Workshops for the Blind. Such Schemes, if they are to be efficient, should be on a large scale and should be attached to an institution with experience in industrial matters.

The Criteria for the Admission of Blind Persons to Home Workers Schemes.

80. The Sub-Committee are in agreement with the standard laid down by the Minister of Health in paragraph 16 of Circular 1086 of the 21st March, 1930, in which it is said that, "There are two main conditions precedent to a satisfactory Home Workers Scheme :—

" 1. That the occupation should not be a mere pastime, but should be definitely on the plane of industrial effort, in order that the Home Worker may be in a position to maintain himself out of his earnings, assisted by augmentation as in the case of an employee in a Workshop ;

" 2. That the occupation should be such as to enable the Association which supervises the Scheme to render tangible and continuing services to the Home Workers."

81. It will be seen that there may be cases in which condition (1) is fulfilled and condition (2) is not fulfilled, e.g., a blind man might be conducting a retail shop in such circumstances that a Home Workers Scheme could render him little assistance. Such a case would not be suitable for inclusion in a Home Workers Scheme, but there is no reason why a Local Authority should not pay augmentation if they think fit. The significance of condition (1) is that inefficient workers should be removed from the Scheme. We shall return to the question of the selection of Home Workers later, but we agree with the views Mr. Eagar expressed in evidence that the proper way to select a Home Worker is not to take the "throw-outs" of the workshop, but to decide (a) on his capacity to work on his own, (b) his home conditions, (c) the local openings for his occupation, and (d) his own choice.

The essential factors in an efficient Home Workers Scheme.

82. Mr. Starling, who has had a wide experience of a large Home Workers Scheme, was good enough to furnish the Sub-Committee with his views on this subject, and after careful consideration the Sub-Committee are prepared to endorse them as follows:—

(a) Thorough training is necessary in a *recognised training centre* if a Home Worker is to succeed in an approved trade. Spasmodic training by a Home Teacher or an assistant supervisor is not enough.

(b) Such training should include a course in simple costing and salesmanship, and habits of independence should be encouraged.

(c) The trade taught must depend on the local demand if the pupil is sufficiently adaptable.

(d) Where accommodation is otherwise inadequate, a commodious workshed should be provided, and equipment and materials should be supplied at cost price, and sent promptly.

(e) It is essential that inefficient workers should be removed from the Scheme. It should be the duty of the supervising agency to report to the Local Authority any Home Workers whom they do not consider up to standard with a view to their removal from the Scheme. Others should be graded according to skill, e.g., a worker good only at square baskets should do only square basket work.

(f) The Schemes should have assistant supervisors who should be craftsmen, able to correct faults and able to give instruction and advice.

(g) Unless the size of the Scheme justifies the carrying of a good deal of stock, a Home Workers Scheme should be attached to a Workshop for the Blind. Where a small Scheme

is attached to a Workshop, the foremen of the various departments should pay periodical visits to Home Workers when necessary. (As pointed out above, the Sub-Committee hope that small schemes will disappear.)

(h) Where the Scheme renders assistance to the Home Workers in the disposal of goods, only those of good quality should be accepted for sale and should be made to the supervising agency's orders. It is particularly important that the work of pastime workers should not be mixed with that of Home Workers at sales, because the sale of goods made by the latter may thus be prejudiced.

(i) Advertisement matter should be provided for Home Workers, i.e., door plates, business cards, handbills and press notices.

(j) Refresher courses should be given to those that need them at a recognised training centre.

(k) The supervisor of a Scheme covering a large area should be provided with a motor car, and the cost of carriage on materials and finished goods can be reduced if the supervisor is also provided with a trailer. Small schemes cannot as a rule afford to provide a car.

(l) As Home Workers can as a rule only secure a limited amount of work for themselves locally, the success of the Scheme will depend on salesmanship. Local sales, with the co-operation of Local Authorities and local organisations, e.g., women's institutes, can often be held in an empty shop and opened by some well-known person, e.g., the Mayor or Mayoress, who will often send out invitations in his or her own name to likely buyers. Home Workers should be encouraged to sell the work of other Home Workers. At present the marketing of Home Workers' goods is almost wholly retail, but it is possible that, with the co-ordination of marketing, wholesale orders may be secured and employment among Home Workers in certain occupations considerably increased.

83. The object of the selling organisation of a Home Workers Scheme is to dispose of such goods as the Home Workers are unable to sell themselves. It greatly reduces the burden on the Scheme if the Home Workers are able to dispose of goods themselves. Mr. Eagar, giving evidence on behalf of the National Institute for the Blind, said that a good worker may be a bad salesman, and the time spent on selling cuts into the time available for production, but direct sale from the worker to the customer gives the maximum profit to the worker, and a Home Worker with a sense of salesmanship may build up a very valuable goodwill round his home. Further, as Mr. Starling pointed out, if a Home Worker wants the supervising agency to sell what he makes, he must make only what the agency can sell, while he can please himself as to what goods he makes for his own local market.

Mr. Purse was apprehensive that, where the Home Worker sells his own goods, there is no standard of quality, and a bad workman may be prejudicing the market for Blind goods generally. We think that this risk exists, but that it should be met by efficient supervision. It would be most undesirable to stop the sale of all goods by Home Workers direct, because of the very large amount of goods which would be thrown on the Scheme for marketing. As pointed out above, 60 per cent. of the Birmingham Home Workers need no assistance from the Selling Department. We think that the establishment of a small centre or centres where goods could be examined and treated to improve the quality and appearance would be of great value. The National Institute already possess such a depot at Reigate.

84. Some of the large Schemes use motor sales vans for retail sales. These vans each have a driver and a salesman, and can be opened up so as to display the goods for sale. They stop at village greens and other suitable places and are thus able to secure a retail trade in remote country districts. We consider that greater use should be made of such vans in the larger Home Workers Schemes which are contemplated in the future.

85. In many Home Workers Schemes the Home Workers run into debt and owe money to the Scheme. We were told that in the Exeter Scheme 12 of the 50 Home Workers were in debt to the Scheme, one to the extent of £16. The difficulty has been experienced elsewhere and it is often met by writing off the debt. In our view the incurring of such a debt should always be regarded as a danger signal and form the subject of a careful scrutiny. It may be due to the retention in the Scheme of an inefficient worker who is unable to make ends meet with his earnings and augmentation; it may be due to unsuitable location, to defects of character, or to the lack of proper instruction in costing during training. Some workers are too ready to confuse the selling price of their products with profit and, after spending the selling price, they are unable to repay to the Scheme the cost of the materials with which they have been supplied to enable them to make the goods.

Supervision of Home Workers.

86. The Birmingham Scheme, with 155 Home Workers, has one supervisor in charge and four craft instructors (each of whom is a specialist in one of the four main trades, baskets, brushes, boots, and machine knitting), and they visit according to the needs of the individual case. Some basket makers can carry on without help, others have to be visited regularly, or the quality of their work will suffer. The craft instructors hold the Home Teachers', but not the Craft Teachers', Certificate.

87. The Scheme of the National Institute has one supervisor, one deputy supervisor and six assistant supervisors for 280 Home Workers, four of the assistant supervisors being in the following

trades : baskets, mats, machine knitting and piano tuning. Similarly, the Scheme of Swiss Cottage has 240 Home Workers under one supervisor and six assistant supervisors in the following trades ; basket making, machine knitting and piano tuning.

88. Many Schemes are so small that they cannot afford even one craft instructor, and this illustrates the need for larger Schemes.

89. In Appendix II we include figures relating to the administrative and selling costs of the Home Workers Schemes of the Birmingham Institution and the National Institute for the Blind. Several other figures are also included, and the statements will repay study.

Occupations in Home Workers Schemes.

90. On the large subject of the occupations in Home Workers Schemes, our evidence only enables us to make some general statements. The disposal of round-machine knitted goods, like socks and stockings, is seasonal, and large Schemes find that in the summer production outstrips sales, and it may be necessary to dispose of a proportion of the goods at a loss.

91. Disposal of coir mats is difficult. Large consignments from India are flooding the markets at prices below the cost of home products, and the trade is prejudiced by the development of competing articles, e.g., rubber mats. The position has to some extent been helped by the recent imposition of a 20 per cent. tariff, but this does not apply to India.

92. With regard to basket making, it is usually possible to dispose of the goods made by reliable basket-makers, and the trade is one in which it is particularly helpful if the Home Worker can develop a local custom.

93. With regard to piano tuning, the Board of Education, in consultation with the Ministry of Health, issued Circular 1403 on the 1st July, 1929, in which they prescribe a course of training to be tested by examination. The Circular emphasises the importance of care in the selection of men for training, in the choosing of suitable localities for them to work in, and in the provision of an adequate training. While in one or two cases the occupation of piano tuning has been organised through a Workshop, it is almost universally organised through Home Workers Schemes, and here personality is most important, and a piano tuner should be encouraged to build up his own practice. A good deal, however, is being done in certain areas in persuading the Local Authorities to place their school piano tunings with the blind Home Workers. Many tunings can be obtained if the tuner is able to do repairing work, and considerable help can be given by the Scheme if it possesses a competent supervisor who can help in repair work.

94. With regard to boot repairing, the position is more difficult. However successful the trade may be when organised with efficient plant and supervision in a Workshop, it is a difficult trade for a Home Worker, particularly if he is totally blind and has no sighted assistance; but from the point of view of marketing, the Home Workers Scheme is very nearly helpless. The trade is, and must be, local, and it is difficult from a distance to render assistance to boot repairers in obtaining work.

CHAPTER IX.

TRAINING.

Statistics.

95. The number of blind persons under Training on the 31st March, 1932, was 1,430; the trades in which they were being trained were as follows:—

TABLE IX.

Basketmaking and Repairing	...	...	...	...	...	...	357
Light Basketry	...	...	...	...	...	...	22
Bootmaking and Repairing	...	...	...	...	...	...	121
Brushmaking	...	...	...	...	...	...	187
Bead Curtains	...	...	...	...	...	...	1
Chair Caning	...	...	...	...	...	...	19
Rush Seating	...	...	...	...	...	...	3
Cork Fenders	...	...	...	...	...	...	7
Coal Bags	...	...	...	...	...	...	2
Domestic Science	...	...	...	...	...	...	2
Furniture	...	...	...	...	...	...	23
French Polishing	...	...	...	...	...	...	4
Hand Weaving	...	...	...	...	...	...	17
Literary	...	...	...	...	...	...	6
Matmaking	...	...	...	...	...	...	112
Machine Knitting	...	...	...	...	...	...	307
Hand Knitting	...	...	...	...	...	...	24
Music	...	...	...	...	...	...	66
Mattress making	...	...	...	...	...	...	32
Massage and Medical	...	...	...	...	...	...	15
Netting	...	...	...	...	...	...	1
Piano Tuning and Repairing	...	...	...	...	...	...	75
Shorthand and Typing	...	...	...	...	...	...	16
Upholstery	...	...	...	...	...	...	11
Total	...	...	...	...	...	...	1,430

96. The Committee on the Education of the Blind, who are sitting at the present time, have been good enough to furnish us with figures of the proportion of adults and adolescents under training. Of the 1,409 blind trainees at the date of their enquiry, they found that 767 were under 21 and 642 over 21. The proportion of adults is higher than is usually recognised. It is due partly

to more intensive search for blind persons who would benefit by training, and partly to the reduction of blindness among persons under 21 owing to the success of the methods of dealing with ophthalmia neonatorum and of treatment of children at school.

Proportion of trainees to employed.

97. The ratio of trainees (1,430) to Workshop employees plus Home Workers (4,973), is 1 in $3\frac{1}{2}$. This ratio holds in the areas of all the Counties Associations, except the Midland (1 in 4) and North-Western where the ratio is as high as 1 in 2. It is important to realise that the present ratio of trainees to employees is very much higher than any normal business undertaking could hope to absorb and that, if they are to be absorbed by the blind organisations, it will be necessary in the next few years to increase the market for blind made goods.

98. The Sub-Committee do not, however, consider that it is necessary to place any limit on the number of trainees if, by the introduction of improved methods of marketing, Workshops are able to provide them with full time work. There is some reason to think that the present number of trainees represents the peak.

Need for greater care in selection for training.

99. It is important that Local Authorities should refrain from continuing the training of persons who are unlikely to become proficient; trainees who show no aptitude in one trade should be given a trial in another; if they fail again they should be removed from training altogether. It is unfortunately true that a number of blind persons are at present being trained without any serious regard to the possibilities of their employment a few years hence.

Who should take the decision of approval of a blind person (a) for training and (b) after training for employment?

100. There are three main problems in connection with training:—

(a) to select trainees carefully so as to secure that on the one hand all trainable blind persons have the opportunity of training and on the other that blind persons who are not suitable for training are not admitted to training or if, after admission, they subsequently prove unsuitable for training, their training is stopped as soon as the fact is ascertained. Training is an expensive matter and should be limited to blind persons who are likely to profit from it. If training places are occupied by unsuitable blind persons there is a danger that there will not be room in the training institutions for all the suitable blind persons needing training;

(b) to select the most suitable trade for each trainee. This will depend not only on the sex and capabilities of the trainee but also on the prospects of future employment. It is futile

to train in a trade which already is overcrowded and finds exceptional difficulty in selling its products. A trade which may be suitable if a trainee will return after training to one district may be quite unsuitable if he is to return to another. It is essential to know as soon as possible whether the trainee is likely to become a Workshop employee or a Home Worker, for this will have a direct bearing on the trade to be selected, and should also affect the nature of the training itself. As we pointed out in our discussion of Home Workers, trainees who will become Home Workers should receive special training in simple costing and salesmanship, and habits of independence should be encouraged;

(c) to approve trainees who have completed their training as suitable to become Workshop employees or Home Workers. Prior to 31st March, 1930, this approval was given by the Minister of Health, as a condition of paying grant in respect of the worker, on the report of one of his Inspectors, who visited the worker and reported on his or her suitability for approval. Since 31st March, 1930, the responsibility for giving this approval passed to the Local Authorities and, while it is being effectively done in a number of districts, there are others in which no effective arrangements have been made. The main difficulty is to obtain advice which is at once technical and impartial. To rely on the officer of the training institution may place the decision in the hands of one who is not familiar with industrial conditions. We understand that the experience of the Ministry of Health showed that no final decision of the suitability of a blind person for employment could be reached until he had been working for at least a short time under industrial conditions. On the other hand, there is a danger in leaving the decision to the Workshops Manager or the Supervisor of the Home Workers Scheme, for he is sometimes inclined to blame the training institution, who may have trained the blind person quite well but not exactly in the lines of work or in the methods followed in the Workshop. The difficulty has been overcome in the area of the Northern Counties Association by the employment by the Association of an expert supervisor who is available to advise Local Authorities. The usual practice is for him to visit each new Workshop employee and Home Worker and advise the Local Authority whether he should be approved.

101. We have given very careful consideration to these three questions. Much of the ground has already been covered by circulars issued by the Ministry of Health in consultation with the Board of Education, i.e., Circular 387 of 24th April, 1923, and Circular 681 of 29th March, 1926. There is, however, reason to think that the removal of central control by the Minister has led to certain difficulties. Some trainees are kept on after it has

become clear that they will never make good, others are trained in a trade in which at the end of training they can find no employment, and they have to be trained again in another trade. One case was brought to our notice in which great difficulty was experienced in finding employment for boot repairers in a Home Workers Scheme in a certain county, yet several more potential Home Workers from that county were being trained in boot repairing.

102. We regard it as essential that, when the Local Education Authority decide whether a blind person should be trained, and in what trade, they should have the advice necessary to a sound judgment and this involves advice, not only from the training institution, but also from the future employing agency. Sometimes these are one and the same institution, and the problem is simplified, but very often they are not. When the time comes for the trainee to pass out of training the Blind Persons Act Authority need competent advice as to whether the blind person should be approved as a Workshop employee or as a Home Worker. This is, administratively, one of the most important decisions to be taken in the Blind Welfare Service, as it will decide the future of the blind person, and a wrong decision may involve public funds in waste. Further, it will react on the whole of training, because slackness in approving workers will tend to produce slackness in training.

103. It seems to us that the most hopeful system yet devised is that recently initiated in the County of London, in which Middlesex has since participated and, while we recognise that it may not be applicable to other areas without some modification, we set out the main lines of the London scheme in order to shew how we think the difficulties might be overcome.

104. The arrangements are in the hands of an Advisory Board consisting of (a) the members of the Joint Committee of London Workshops, representing the London Workshops and the Swiss Cottage Home Workers' Scheme; (b) two representatives of the Metropolitan Society; (c) one representative of the National Institute for the Blind's Home Workers' Scheme; (d) one representative of the Middlesex County Association for the Blind; and (e) the appropriate officers of the London County Council and Middlesex Council.

105. The functions of the Board are :—

- (1) to select suitable candidates for training; and for this purpose to interview candidates and, if necessary, their parents and guardians;
- (2) to nominate tentatively the appropriate trade or trades and, if necessary, the particular type of such trade;
- (3) to recommend to which training institution the candidates should be sent;
- (4) to report on the maintenance allow-

ances, etc., which are needed, and (5) where possible to decide where and in what capacity the trainee is to be ultimately employed.

106. The Metropolitan Society and Middlesex County Association respectively prepare the case papers. The Advisory Board report direct to the London County Council or Middlesex County Council respectively, but send a copy of their report to the Metropolitan Society or Middlesex County Association and during the primary or probationary period of training, the Training Institution are to make careful investigation to ascertain the aptitude of the trainee in any particular industry. Progress reports are to be made to the Board every six months for the first 18 months of training. Doubtful cases are to be reported on monthly.

107. The Advisory Board will review each case at the end of six months to consider (a) the continuance of training, (b) the provision of a further trial period of training; (c) the termination of training; and will advise the London County Council or Middlesex County Council accordingly.

108. The question of the employment of trainees is to be definitely decided within at least 12 months before the completion of the normal period of training. Where the Training Institution cannot employ him, the Advisory Board will endeavour to place him in another Workshop or in a Home Workers Scheme, in which case the last 12 months will be spent in any specialised training that may be found necessary to fit in with the peculiar methods practised in that Workshop or Home Workers Scheme.

109. We recommend that some such scheme should be adopted wherever practicable but, where it is not practicable, we recommend that no person should be taken into training unless the Local Education Authority, after discussion with the Blind Persons Act Committee and the superintendents of the Training Institution and Employing Agency, are satisfied that there is a reasonable prospect of the man obtaining employment in the trade in which it is proposed he should be trained. This prospect will be improved if improved methods of marketing are introduced.

110. We recommend that in approving workers the standard should include not only speed, quality and independence as at present, but also capacity to produce a variety of work.

111. We also recommend that a trainee should at the end of his training be approved for a probationary period (say 12 months) and, either before or at the end of that period, he should again be tested and a decision taken (a) whether he is now fit to be approved; (b) whether a further period of training might make him efficient, in which case he should be recommended for further training; or (c) whether he is not likely to become an efficient worker, in which case he should be withdrawn from approved employment.

112. Mr. Dunning, in his evidence, told us that when trainees at Liverpool reach the Workshops they have to serve a kind of apprenticeship for 12 months, during which period the Local Education Authority pay a reduced fee and the trainee receives a progressive allowance. We consider that the possibilities of this arrangement elsewhere might be considered, so that a trainee, after his normal period at a training institution, might have one year in a Workshop to complete his training before he is finally approved as a Workshop employee.

Effect of grants to the Unemployable Blind on Training.

113. One of the difficulties which occasionally arises is that the unemployable grant is more attractive to many blind persons than training and employment. In order to preserve the self reliance of blind persons we regard it as important that the Regulations governing such grants should provide for the cessation or reduction of the grant to blind persons suitable for training and employment who refuse training and employment. Such persons are not unemployable and should not be given the grants appropriate to unemployable persons.

Qualifications of Craft Teachers in Training Institutions.

114. We understand that the Board of Education are approving or have approved Institutions for training without any condition as to the qualification of teachers. Dr. Ritchie informed us that the College of Teachers of the Blind some years ago had asked the Board to make the certification of craft teachers compulsory, but the Board at that time regarded the proposal as impracticable. A certificate for Craft Instructors is now issued after examination by the College, but entry for it is optional. In a return furnished to us by the College the following craft certificates are recorded:—Basketry, 7; Bootmaking and Repairing, 2; Brushmaking, 2; Piano Tuning and Repairing, 1; Round Machine Knitting, 9; Flat Machine Knitting, 2; Hand Loom Weaving, 1; Total, 24.

115. We recommend that the Board of Education should be asked to stipulate that as a condition of permanent approval, newly appointed craft teachers should obtain the certificate for Craft Instructors issued by the College of Teachers. With regard to existing Craft Teachers, we suggest that the College of Teachers might be asked to draw up a special syllabus limited to craftmanship and its teaching, and that the Training Institutions should be asked to assist the teachers by granting them leave to attend such an examination, and by making contributions towards the candidates expenses.

Training in Centres not approved by the Board of Education.

116. Our attention was drawn to the fact that some Local Education Authorities are making contributions towards the cost of training blind persons at training centres which have not been

approved by the Board of Education. We recommend that the Board of Education should draw the attention of the District Auditors to this matter.

Over-specialisation in Training.

117. Mr. Swann, in his evidence, told us that at Leeds men were trained, not in basket making as a trade, but in making only yarn skips. If occupation on yarn skips failed they would need retraining. Dr. Ritchie said that this specialisation of training was not practised in the South but that a man might receive a four years' training as an all round craftsman and, through the exigencies of employment, might have to specialise later. It ought not to take an all round craftsman long to learn to make a specialised article, but his earnings might be low at first. Mr. Purse said that it was recognised that in the North blind persons are trained as specialists and they had been able to rely on regular employment in the past in normal times.

118. We agree that the aim of training should be to produce an all round craftsman in each trade and not merely a specialist in a particular type of work. Further, we consider that Workshops approved as training Institutions should be limited to the adult Blind and that the adolescent Blind should be sent for training to institutions which specialise on training and give to the trainees the educational training and advantages of a training institution. We hope that representations may be made to the Board of Education to secure this.

CHAPTER X.

GRADE A AND GRADE B WORKERS AND SECOND GRADE WORKSHOPS.

What is meant by Grade A goods?

119. The scheme for a Central Marketing Board had been drawn up to deal in the first instance with surplus goods of Grade A only. Col. Willans defined Grade A as a standard which would secure a sale in the open market. Mr. Platt, in his evidence, expressed the view that the Central Marketing Board could not undertake to sell all surplus but only Grade A surplus goods. Much surplus stock is not Grade A. The first interim Report of the Marketing Committee of the Association of Workshops defined Grade A goods as " goods in every respect up to the normal sighted standard ", and added that " in the first place " the Board should only deal with Grade A goods. In the second Interim Report the potential surplus of £50,000 is of Grade A goods only. Confusion had arisen as to the meaning of Grade A, which was defined afresh as " articles of first quality in each particular class of goods such as might be expected to secure contracts in the open market ". Some managers say

there is no marketing problem for Grade A goods. It was recognised in the Interim Reports that the sale of Grade B goods must be tackled in due course by the Board, but it would be unwise to start with any but Grade A goods. The National Mark to be awarded by the Board would be given to Workshops certified as being able to turn out a certain proportion of Grade A goods in respect of a specified list of goods. It is obvious that any National Mark would have to be used carefully. If it were used for all goods made by the Blind it would spoil the market for Grade A goods.

120. Mr. Priestley, in his evidence, defined a Grade A worker as one who regularly produces goods saleable in the open market in competition with goods made by sighted workers, but added that workers who did not reach this grade could approximate to it through the aid of adequate sighted supervision. He said that he thought that satisfactory results might be obtained from Grade B workers if one qualified sighted worker assisted 3 Grade B blind workers.

121. Mr. Purse defined a Grade A worker as one whose "general standard of productivity and efficiency is such as to enable him to derive reasonable economic earnings from the industry he practices, with such supervising help as can be ordinarily given to him in a well equipped Workshop for the Blind, and with such augmentation of wages as is reasonable to compensate him for his handicap". By a Grade B worker Mr. Purse meant "an employee who, although he sometimes may be speedy in the execution of his tasks, performs work not generally up to standard in quality and requires a good deal more time to be devoted to him by the supervisors, the work even then being classified as of inferior quality", Mr. Purse's remedy for Grade B workers would be to employ a larger number of sighted workers to help them. Though costly this would improve the quantity, quality and variety of the goods produced.

122. The standard of Grade A should be applied to Home Workers also. Mr. Starling said that a Home Worker should only be employed in a trade in which his work is Grade A.

The proposal of Second Grade Workshops for Grade B workers.

123. The Joint Committee of London Workshops in their Annual Report for 1932 deal with Second Grade Workshops for partially efficient workers whose retention in existing Workshops lowers the standard and increases the cost of production. The number of Grade B workers is likely to increase so long as Local Authorities train every blind person who appears capable of learning a trade. They suggest the following definitions of a second Grade worker as one who is :—

(a) incapable of making a reasonable assortment of articles in the industry in which he or she is employed ;

(b) capable of making only articles for which there is little or no market, except at excessive loss ;

(c) incapable of producing work of a commercial marketable quality, without much sighted assistance; or

(d) an exceptionally low wage earner.

124. Segregation of these workers could be effected either by means of separate departments in existing Workshops or by the establishment of separate Workshops for the accommodation of second Grade Workers. There is a difference of opinion on the Joint Committee, but on balance the Committee favour the establishment of separate Second Grade Workshops, in the first instance for basketmaking. If such an experiment were successful in an accessible neighbourhood, it could be extended to other localities and other trades.

125. We understand that at Glasgow an occupational Workshop has been started for trainees (not journeymen) who cannot attain the necessary standard, i.e., earnings at the end of 5 years of training, for men of 17s. 6d. per week (except mats, where the limit is 10s.) or for women, 7s. 6d. per week.

126. We have been furnished with the detailed proposals of the London Joint Committee for a Second Grade Workshop on the lines set out above. It appears from that Report that of 473 Workshop employees in London 107 are said to be Grade B workers and 25 out of 154 trainees are potential Grade B workers. We think that the workers who are under consideration should certainly receive additional supervision and care, but we are not satisfied that the only way of effecting this is by segregating them in special Workshops.

Should only Grade A goods be offered for sale?

127. Some witnesses held that only Grade A goods should be offered for sale. It was urged that there is really no market for Grade B goods as such, and to attempt to sell them harmed the market for Grade A goods.

128. Mr. Cooper said that, in the experience of most of the larger Workshops at least, there is little or no difficulty in disposing of Grade A goods. The difficulty is in disposing of the lower grade goods. Mr. Cooper explained that he was referring to actual, not potential, output of Grade A goods. Mr. Priestley agreed there was no difficulty in selling Grade A goods.

129. We understand that markets vary and that it is easier to dispose of, e.g., Grade A baskets than Grade A mats.

130. Another witness said that he considered that a new entrant should be able, if a man, to earn at least 16s. per week and if a woman, 8s. per week *turning out none but Grade A goods*. He agreed that workers who could not produce Grade A work in one line of goods sometimes could in another, e.g., a man who could not make a Grade A fancy basket might make a Grade A skip. Henshaw's Institution would not retain an employee who could not

do Grade A work in some line or other, but he could not quote a case in which a Workshop employee at Henshaw's Institution had been discharged for this reason.

131. We consider that it is undesirable that goods of a lower standard than Grade A should be offered for sale. By Grade A goods we mean goods in every respect up to the standard of relative goods made by sighted labour which would, so far as quality is concerned, secure a sale in the open market in competition with such goods. The sale of lower grade goods spoils the market for the better class goods. We realise, however, that immediate cessation of the manufacture of goods below a certain standard and quality might involve the discharge of a considerable number of blind workers, but we consider that every effort should be made to improve the standard of production by the provision of additional sighted supervision of workers whose work normally falls below the Grade A standard. If, with this additional supervision, an employee cannot, after retraining if necessary, produce Grade A goods in any class of work, he should be relegated to pastime employment.

CHAPTER XI.

ADVERTISING.

132. Colonel Willans, in his evidence, said that advertising on a national scale could not be contemplated unless reliance could be placed on the article so advertised. In his opinion advertising in the ordinary sense will not be really worth while till standardisation is achieved. This involves the proposal of the National Mark which was made in the Central Marketing Board Scheme, and the refusal to market goods from Workshops whose goods fall below the standard.

133. Mr. Swann in his evidence urged that (a) a National Advertising Scheme should be organised; (b) a National Mark should be accepted by Workshops; and (c) a National Blind Week should be organised annually. Shop windows in large shops could be borrowed for a short time to display blind goods. If any such scheme were undertaken the cost would be an important factor, especially if the scheme ran throughout the year.

134. Mr. Thurman described to us a recent advertising scheme of Henshaw's Institution. They stopped all their casual advertisements and concentrated on advertising in the Manchester Corporation trams at a cost of £150 per annum. In 6 weeks the sales had gone up 60 per cent., from £60 sales per week to £102.

135. Mr. Johnson thought that a National Mark should be established and prominent newspapers be asked to display a fairly large advertisement on the Mark decided on, with a statement that unless the Mark were on the article it was not blind-made. A broadcast from all stations should be given for one week. He thought that this programme might be carried out by the National Institute for the Blind.

136. With regard to the possibilities of local advertising in Home Workers Schemes, Mr. Eagar explained that village sales conducted by the Home Workers Scheme of the National Institute are preceded by advertising. Villages were not visited more than once in two years.

137. Mr. Starling told us that at Birmingham Institution the Selling Organisation, which is organised separately from that of the Workshops, employs a Salesman with a motor van, who organises local sales throughout the 5,000 square miles which their Home Worker Scheme covers. Sales were advertised in newspapers and in handbills distributed locally by Boy Scouts and Girl Guides. Sales were opened by a local notable.

138. We consider that much more could be done by way of local advertisement for goods produced in Workshops and Home Workers Schemes, and suggest that the help of all Associations for the Blind, especially of the County Association, should be sought. With regard to national advertising we agree that it is essential that effective measures should be taken to secure a standard of quality before this is undertaken.

CHAPTER XII.

COSTING, PRICE, STOCK RECORDS, STOCK TAKING AND WASTE OF MATERIALS.

Costing and Price.

139. In June, 1932, Col. Willans was good enough to furnish the Sub-Committee with a Note on Costing which seems to us of such value that we summarise it here.

He does not dispute the importance to Managers of accurate information as to the cost of production, but this need not involve the elaborate costing methods often used in industry for the purposes of (a) an index to, and check on, management, and (b) a basis for price fixing. As an example, Col. Willans takes the costing card of a Brewery based on the unit of production in use, i.e., the barrel, which might read:—

							<i>Prime Cost.</i>	<i>s.</i>	<i>d.</i>
Materials	...	...	...	...	...	...		12	6
Wages	...	...	...	...	...	...		5	6

	<i>On Cost.</i>							
Overhead charges								
Rent	0	6
Power	0	3
Non-productive wages, etc.				1	6

Carried forward	£1	0	3
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	<i>s.</i>	<i>d.</i>
Carried forward ...	20	3

Administrative charges.

Salaries	2	6
Office	1	9
Debenture Interest		1	3
Cost of Distribution		1	0
Profit	3	3

Selling price per barrel	£1	10	0
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Such a costing method involves the keeping of accurate stock records, separate stores for each class of stock, each in the charge of a storekeeper, and the employment of expert cost accountants. It enables the management to see where economies may be necessary, where the organisation may be lax, and where improvements are possible and where the price must be raised to maintain profit or can be lowered with advantage.

In Workshops for the Blind costing may and should be employed for purposes of record and internal check rather than for selling purposes. Price here is determined not by costing but by the price the article will command in the open market. 48s. brooms will command 48s. if they are of equal quality with those which can be bought from the stores. It is idle to offer them at 52s. 6d., because that is what they happen to cost. It is very rarely, therefore, that costing can be used for fixing prices. Further, the selling price for blind made articles provides, broadly speaking, little or no margin above the cost of productive wages and materials so that it is only possible to include a small allowance (if any) for overhead charges in the selling price. Therefore there is no object in elaborate costing of each item of On Cost. Any such methods merely serve to provide a job for accountants and do not help to sell the goods or obtain a better price for them. The case would be different if Workshops for the Blind or Home Workers schemes could invent and produce a proprietary article; variations of price might then be introduced. As it is, baskets, brushes, mats, etc., have fixed prices and the only choice, so far as the wholesale trade at least is concerned, is to offer them to the consumer at that price or not to make them.

Prime Cost.

140. Costing accountancy is useless unless based on reliable data. The two principal elements in Prime Cost are (i) Materials, and (ii) Labour. Of the latter item, only such portion should be taken as is direct. Direct labour is limited to that which can be charged to the particular work and which represents the economic wage paid to the worker directly engaged on the particular job.

141. Where an article passes through various processes in the course of its manufacture, the actual wages paid for each process must be recorded. The materials include the actual cost of materials used in making the particular article. These two items when added together are known as *Prime Cost*.

142. The following examples furnished to us by Mr. Starling and Colonel Willans illustrate the method of arriving at the Prime Cost for certain articles made in a Blind Workshop :—

Round Buff Linen Baskets, 11 ins. (each).

<i>Material.</i>					<i>s.</i>	<i>d.</i>	<i>s.</i>	<i>d.</i>
3½ lbs.	Willows	Buff	Skein	at				
35s. cwt.	...	...	...	...	1	2		
Wooden Base,	Deal		...	...		4		
Varnish	...	...	...	...		1		
					<hr/>		1	7
<i>Labour.</i>								
Making (per Midland List)	...			...	2	4		
Plus 45 per cent. Trade Bonus	...			...	1	0½		
					<hr/>			
					3	4½		
Cutting out base and varnishing	...			...		4		
					<hr/>		3	8½
Prime Cost							5	3½
							<hr/>	

Bass Brooms (dozen).

<i>Material.</i>					<i>s.</i>	<i>d.</i>	<i>s.</i>	<i>d.</i>
1 doz. stocks	14 ins.	by	4 ins.	by				
3½ ins.	...	...	...	...	3	7		
20 lbs.	7½ ins.	Dyed	African	at				
50s. cwt.	...	...	...	...	8	11		
Sundries	...	...	...	...	1	7		
					<hr/>		14	1
<i>Labour.</i>								
Making	1d. per	6½	Knots	...	8	7		
Less Trade Percentage	deduc-							
tion	25 per cent.	...	...	...	2	2		
					<hr/>		6	5
Prime Cost							20	6
							<hr/>	

*Best Hair Mattress 3 ft. by 6 ft. 6 ins. (each).**Material.*

	<i>s.</i>	<i>d.</i>	<i>s.</i>	<i>d.</i>
Ticking "A" Quality, 58 ins., 3 $\frac{2}{3}$ yds., at 2s. 4d. per yd. ...	8	7		
Piping		9		
Thread		3		
Curled hair	31	6		
Woollen tufts and twine	1	3		
	—		42	4

Labour.

Making tick	1	3		
Making up mattresses at 9d. ft. ...	2	3		
Carding and milling		6		
Cutting tick and sewing up mouth		3		
	—		4	3
Prime Cost ...			46	7
			—	

*Ladies' Jumper Suit (each).**Material.*

	<i>s.</i>	<i>d.</i>	<i>s.</i>	<i>d.</i>
Jumper 14 ozs. 2/32s. wool at 5s. lb.	4	5		
Skirt 13 ozs. 2/32s. wool at 5s. lb.	4	1		
Buttons and elastic		6		
	—		9	0

Labour.

Jumper, knitting	2	3		
Skirt, knitting	2	3		
Jumper, finishing	1	9		
Skirt, finishing	1	6		
	—		7	9
Prime Cost ...			16	9
			—	

Stock Records and Stock Checking, and Stock Taking.

143. A memorandum on this subject which was drawn up by the Joint Committee of London Workshops for the Blind was submitted to us. The matter had been referred to the Joint Committee by the London County Council and the Joint Committee

studied the methods in force at the Workshops at Halifax, Birmingham, the London Association for the Blind and Waterloo Road. A scheme was devised by a firm of Chartered Accountants for use in Blind Workshops.

144. Two factors must be considered in any scheme (a) the necessity of avoiding expense, as far as possible, particularly any involving increase in sighted labour, and (b) space is extremely limited in all Blind Workshops.

145. In a Blind Workshop Stock Records are desirable (a) to prevent loss of materials through pilfering or waste; (b) to ascertain roughly the value of the stock in hand at any given moment and thus enable the Management to take out an approximate Trading Account quarterly, monthly or at intervals. Costing, as noted above, is more for the purposes of record and internal check than for selling purposes (i.e., price fixing), and Stock Records are mainly required for checking Foremen's estimates and preventing theft. The problem falls into two heads (i) Materials and finished goods in the Factory Department, (ii) Finished goods maintained in Retail Shops and Stores, including goods purchased for re-sale.

(i) *Factory Departments*.—Of the systems examined the only one of practical value, without the employment of more sighted labour and of most space, is that in use at Waterloo Road. It was tried for a period at Tottenham Court Road, but Colonel Willans found it defective for the following reasons :—

(a) It appears to take much time of the Foremen which they can ill afford during periods of pressure;

(b) It seems likely to encourage Foremen to exaggerate their costs for fear of under-estimating the amount of stock used and so disclosing a deficit at Stock Taking.

(c) It is not exact unless every item of material used is weighed when issued : (If the amount of material used is estimated from the costing sheets, it is clearly not a Stock Record at all but merely an estimate) :

(d) It does not fulfil the principal function of a Stock Record, which is to facilitate the immediate tracing of any leakage of stock. This function is only partly fulfilled when the leakage is only discovered at Stock Taking.

The Association's Auditors, Messrs. Maxwell-Hicks & Co., were asked for an opinion, and said that, in view of the processes and raw materials used, any system of internal check, to effect its object, would have to be so detailed as to require a complete stores bookkeeping system which would involve considerable labour. It would require locked store-rooms under the control of one or more storekeepers and this would probably involve increased staff. Owing to the nature of the raw materials used and the finished articles made, there does not

seem to be much fear of pilferage on a large scale, and any opportunity of pilferage would seem to be confined to the sighted workers. They think, therefore, that the cost of installing and maintaining such a system would not be justified. Pilfering, if it occurred, should be detected under the present system at Tottenham Court Road, whereby the percentages of profit on turnover are compared after each Stock Taking. More frequent stock-taking, if practicable, would, of course, afford an additional safeguard.

Col. Willans expressed concurrence with these views of Messrs. Maxwell-Hicks & Co.

(ii) *Retail Shops*.—The problem here is different, as the risk of pilferage is greater. Col. Willans, in consultation with Messrs. Maxwell-Hicks & Co., experimented with a scheme, similar to that in use in some establishments retailing a large number of small articles, which would provide against this risk if combined with constant stocktakings of different classes of articles but he came to the conclusion that any system of this kind could not be operated without additional sighted labour. Such a system to be of use must detect pilfering without delay, otherwise its moral effect is lost. It must be so accurate as to inspire confidence that a small loss detected is in fact a loss and not merely due to an error in recording. The people in charge must therefore have sufficient time not only to ensure the accuracy of the records but also to follow up discrepancies with the utmost patience. It is therefore a matter for consideration whether the risk in any particular case is sufficiently great to justify further expense in this direction.

Stock Taking.

146. Even if exact Stock Records are not kept, much can be done by careful and systematic Stock Taking. If properly carried out this provides a strong moral check and gives material for the detection of any considerable discrepancy. It is for the management to decide whether Stock Taking should be annually or more frequently. Clearly, the more often stock is taken, the more easily will discrepancies be discovered.

147. At whatever intervals the stock is taken, it should be done with the greatest care and in accordance with well defined rules :—

(a) In each department stock should be taken by a responsible official, who should actually see each unit of stock, which should be taken down at his or her dictation by an assistant unconnected with the department. Careful supervision of this process, which should be entirely carried out on the day on which it is desired to value the stock, by the management, is necessary to avoid the possibility of inflation by departmental foremen ;

(b) The values should be entered after the stock has been listed and should represent the lower of cost price and current market quotations. These values should be checked by the Manager or other responsible official, but in no case by the foreman of the department concerned, who should, however, be given the opportunity of scrutinising the Stock Sheets when completed;

(c) The entire stock should be overhauled by the Manager with a view to the elimination of obsolete articles or the overpricing of goods of which the value may have fallen since they were purchased;

(d) Care should be taken to secure that no goods sold but not delivered, or purchases of stock received but not invoiced, are included;

(e) The head of each department should certify that the stock was actually on the premises on the date of Stock Taking, and the head of the Institution should certify as to the correctness of the Stock Taking and of the valuation;

(f) Finally, the totals of each class of stock with their percentages in relation to the Turnover should be carefully and systematically compared with those of corresponding periods.

148. The efficiency of this or any other method of Stock Taking depends upon the degree of supervision exercised. Too much attention cannot be given to the points mentioned above.

Waste of Material.

149. Several instances of waste of materials have been brought to our notice. In one case we understand that three hampers, seen side by side in a Workshop, all of the same pattern, varied in weight from $8\frac{1}{2}$ lbs. to $12\frac{1}{2}$ lbs. It appears that waste is partly attributable to lack of accommodation, involving the accidental mixing of the materials of individual workers, and partly to the lack of efficient distribution of materials. Many storekeepers are being employed as such because they are of little use as operatives and such persons often have no idea of what is wanted in a finished article, or of the quality or quantity of material which should be supplied. This is, of course, bad management, which is by far the most prolific cause of waste. The remedy (apart from the question of space, which can be dealt with only by increasing accommodation) is the appointment of capable and experienced storekeepers, able to judge the quality and quantity of material required to reproduce any particular article. These storekeepers should be closely supervised by the Management.

150. We have set out in some detail the views put before us by Col. Willans, Mr. Starling and the Joint Committee of London Workshops for the Blind on the subjects of Costing and Price, Stock Records and Stock Taking because we consider that they should be very helpful to those in charge of Workshops and Home

Workers Schemes. The Minister of Health's Inspectors of Blind Welfare told us that no two Workshops had the same system of costing. One scientific system had been adopted in one case and dropped as being too expensive. Such costing as exists is often haphazard and of no real value.

151. We regard this failure to carry out a lucid and intelligent, if only a limited, form of costing as a very serious matter. It means that in many cases not even Prime Cost is properly ascertained and that goods are being sold without knowledge whether the price involves a loss on Prime Cost or not.

152. We have given careful consideration to the question, and agree with Col. Willans' view that, unless a proprietary article is involved, costing should be limited to Prime Cost and no attempt should be made to include overheads in the costing system, for the reasons stated above. The expense of a detailed system of costing overheads would be out of all relation to the benefits to be obtained.

153. Overheads should of course be ascertained and watched, but this should be done in the annual accounts. The Minister of Health by his Circular 1306 of 17th March, 1933, prescribed a form of "Workshop or Trading Account" (a copy of which we annex as Appendix III), and the use of this form of account is made a condition of the payment of contribution by Local Authorities to Voluntary Associations by Article 2 (d) of the Welfare of the Blind (Contributions) Scheme, 1933. The form is drawn up in two parts, the second of which separates the Overhead Expenses. We regard this form of account as of very great value and trust that the Minister of Health will satisfy himself that it is adopted in all cases to which it applies.

154. The first part of the Account is a record of Prime Cost but, unlike Overheads, it is not sufficient to keep only an annual record of Prime Cost in Workshops for the Blind. Every Workshop ought to know the Prime Cost of every article which it produces, in order to realise whether it is selling at a profit or a loss on Prime Cost, and for this purpose it is not sufficient to make vague estimates; it is essential that the costing should be carried out with care, exactitude and on a sound system. For this purpose, we think that the illustrations given by Mr. Starling and Col. Willans above should prove of great assistance.

155. In order to secure an accurate record of Prime Cost, certain steps must be taken in the Workshop to facilitate the costing system. In order to ascertain the exact cost of material, proper arrangements for the issue, and for the recording of the issue, of material will be necessary and supplies must be checked frequently and accurately in order to ascertain the amount of material used. The exact cost of the labour, whether blind or sighted, expended on the production of the article, must be recorded. This is a comparatively simple matter if Trade Board wages are paid, provided

that proper records of each worker's output are kept. If, however, subsidies are also paid and included as wages, the costing becomes more complicated.

156. Ignorance of the true Prime Cost of goods sold is a mark of inefficient management, for it may involve heavy trading losses. Proper Prime Costing enables the management to fix prices and, if it finds that it cannot sell goods at that price, it has its warning and must change over to some other product. It is common to find that some articles are more remunerative to Workshops than others, and proper Prime Costing is of great assistance in directing the energies of Workshops into the most remunerative channels. Unfair competition between Workshops, it may be surmised, is sometimes due to nothing more than ignorance owing to no Prime Costing being kept.

157. The aim should always be to sell at a price which will at least cover Prime Cost and to stop production when goods are being sold, over a period, below Prime Cost. On the other hand some articles can be sold, even in competition, at a price which covers both Prime Cost and a percentage for overheads. We were told that Henshaw's Institution use three figures, (i) Prime Cost, (ii) Manufacturing Cost and (iii) Total Cost. "Prime Cost" has the usual meaning. "Manufacturing Cost" is Prime Cost plus a percentage of non-productive wages, and "Total Cost" is Manufacturing Cost plus the proper proportion of establishment and overhead charges. The Institution make a profit on Total Cost in some articles. They aim at selling at "Manufacturing Cost," but would sell as low as "Prime Cost" if it meant keeping men at work. Many Workshop managers could sell all their Grade A goods if they were allowed to sell at competitive prices, but their Committees naturally ask for prices to bear some relation to cost and this is another reason why accurate Prime Costing should be kept.

158. It is a difficult question to decide whether the cost of blind made goods is their true value as selling products. In retail trade there is a sentimental value to them and they can often be sold above the market rate. In wholesale trade the traveller can almost always get a first hearing for blind made goods, but it is difficult to eradicate the idea that blind made goods are inferior. Mr. Eagar in his evidence said that the question of selling retail below cost is part of a larger question, how far Blind Industry can sell economically in order to keep blind workers employed. The N.I.B. Home Industries Department, he said, have always followed the policy of using every means of selling in order to keep their Home Workers employed and to raise their earnings as high as possible. In his experience selling costs in Home Workers Schemes can be largely raised before the Law of Diminishing Returns begins to apply.

159. Some agreement among Workshops as to selling below Prime Cost seems to us very desirable, in order to avoid the bitter feeling which is sometimes aroused by a Workshop taking an order below Prime Cost and so depriving another Workshop of the order. We were told in evidence that some Workshops are doing this. One case—stockings—was quoted where a firm of sighted manufacturers quote a price of 14s. 6d. a dozen, but the Prime Cost on round machine in a Workshop for the Blind cannot be brought below 15s. 6d. a dozen. Yet Workshops for the Blind are accepting the contract at 14s. 6d. Another case was quoted in which the Workshop for the Blind accepted a price which was not only below Prime Cost, but was even below the competitive price. Market price must of course govern the prices of many blind made goods but, where market price does not cover Prime Cost, it is time for the Workshop to scrutinise costs and to be sure that its management is efficient and the output of the workers reasonable. If, after such scrutiny, Prime Cost is not reduced, it is only a matter of time before the sale of the product must be discontinued. Stated thus this is a truism, but everything really turns on an efficient Prime Costing, without which Workshops are groping in the dark and do not possess the data essential to the formulation of a sound policy.

CHAPTER XIII.

SURPLUS AND/OR DEAD STOCK.

160. We were informed that many managers were seriously concerned at the accumulation of stocks of old and, to some extent, unsaleable goods appearing year after year in their accounts. "Dead Stock" would accumulate in any factory, but perhaps especially so in a Blind Workshop because of the desire to keep blind workers fully employed, by which an excess of production over absorption was brought about. Baskets, brushes and, to a lesser degree, mats deteriorate with age, and any steps, no matter how drastic, would be justified to get rid of stock accumulated through over-production—a partial loss would be better than a total loss. The sale of up-to-date products of blind Workshops would not necessarily be prejudiced by bulk disposal of old stock, as sales of this kind are usually to buyers who do not normally purchase from Blind Institutions, and the goods would probably find their way into street markets and the like. It was unlikely that there would be a recurrence of dead stock, at any rate to the same extent but, if it did recur, there would be little good in the clearance of dead stock. With a stock sheet clear of everything but saleable goods, intelligent managers would arrange their production to suit demand and acquire greater incentive to push sales.

161. In our view the disposal of surplus stock at unremunerative prices is inevitable in any system where such surplus occurs, and where surplus stocks do in fact accumulate the price to the wholesaler is governed by the price of the competitive sighted article. Where Workshops sell off surplus goods at uneconomic prices there is always the danger that they will ruin the market for other Blind Workshops.

162. Surplus or dead stock brings us round full circle to the question of Marketing, for it is evidence of the failure to sell the goods produced.

CHAPTER XIV.

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS ON MARKETING.

Paragraph.

163. As regards sales other than retail sales we consider that the best solution would be along the lines of the Central Marketing Board proposed by the Association of Workshops, but it seems clear from the evidence that such a scheme would involve so much local opposition that it must be regarded as impracticable at the present time. In considering alternative proposals we find it necessary at the outset to decide whether such proposals should deal with all sales in bulk or, as in the Central Marketing Board Scheme, only with the surplus and potential surplus after the individual Workshops and Home Workers Schemes have dealt with all the goods which they can dispose of ... 48

We are agreed that Workshops employing only a small number of workpeople cannot in ordinary circumstances be economic units and amalgamation or co-operation with bigger Workshops is desirable, but we realise that it will be difficult, owing to local sentiment, to secure the amalgamation which we consider so desirable. Amalgamation may also be desirable between large Workshops. We are not, however, prepared to recommend a scheme of marketing which would force the amalgamation issue everywhere regardless of local circumstances ... 50

We therefore turn to the alternative proposal that co-operation in marketing should be limited to the marketing of the surplus and potential surplus, leaving the existing organisation to continue to dispose of their goods so far as they are able, and to improve in every possible way their machinery for this purpose. We regard the need for co-operation for the disposal of the surplus and potential surplus as imperative, and if we are right in regarding the proposals for a Central Marketing Board as impracticable at the present

time, we regard it as essential that such co-operation should be organised regionally. We are of opinion that the regions should be based on the areas of the existing Counties Associations, although these may need to be modified by combination or division. Each of these regions should have a regional sales organisation forming a Regional Board under a Committee of Management on which Workshops and Home Workers Schemes in the region should be represented 51

We consider it undesirable that goods of lower standard than Grade A should be offered for sale. If a worker after being given additional supervision and if necessary, retraining, cannot produce Grade A goods in any class of work, he should be relegated to pastime employment ... 131

We strongly urge all Workshops and Home Workers Schemes to develop their marketing organisations as fully as possible. Improvement may be possible in one by more systematic canvassing of contracts from public authorities, in another by the appointment of a competent traveller, in a third by moving the retail shop from an unsuitable place to a trading centre, in a fourth by a complete reorganisation of the selling machinery ... 55

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Approval of blind persons (a) for training, (b) after training for employment	102 to 112
Board of Education should be asked to stipulate that craft teachers in training institutions should obtain the certificate for Craft Instructors	115
Workshops approved as training institutions should be limited to the adult blind	118

Second Grade Workshops.

Workers not capable of producing Grade A goods should receive additional supervision and care but should not be segregated for this purpose in special Workshops ...	126
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Stock Records.

Necessity for appointment of capable and experienced store keepers	149
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Costing.

Necessity for a system to ascertain the prime cost of all goods to be sold	151 & 152
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164. We wish to place on record our deep obligation to our Secretary, Mr. G. V. Basford, who has been of the greatest assistance to us in the many and intricate investigations which our inquiry has involved.

W. ASBURY,
Chairman.

E. H. LEE,
Acting Chairman.

G. V. BASFORD,
Secretary.

29th December, 1933.

RESERVATION 1.

Who should take the decision of approval of a blind person for employment? The answer given in the Report indicates the Local Authority and to this we demur. The powers of the Local Authority flow from the payment of grant and are limited to the

supervision of the expenditure of such grant. Except in the case of an Authority which conducts its own machinery for employment the Workshop or Home Workers' Scheme is an autonomous body and must retain in its own hands the right of admission, rejection and refusal. In practice there will be co-operation but it must be insisted that where there is a difference of opinion the last word must rest with the Voluntary Agency. The Authority has delegated part of its responsibility to that Agency as an expert body and in all matters involving specialist knowledge the decision of the expert must be final. If the Authority took upon itself to say who should and who should not be employed in a particular Workshop or Home Workers' Scheme it would be interfering with the prerogative of the governing body of that Agency.

The Report states that there is a danger in leaving the decision to the Workshops Manager because he might blame the training Institution for not training the blind person in the methods followed in the Workshop. It seems to us that such a person is unemployable until he has been so trained and that the Workshops Manager is justified in his refusal. A situation of this kind can only be eased by co-operation between the training and employing Bodies and we cannot agree with the Report in thinking that the appointment of a Supervisor by the Local Authority is pertinent to the issue.

S. W. STARLING.

BEN PURSE.

J. M. RITCHIE.

RESERVATION 2.

I am unable to agree with the conclusions and recommendations of the Sub-Committee on Marketing.

The proposals for the Marketing Scheme originally submitted by the Association of Workshops for the Blind (embodying the setting up of a Central Marketing Board for the disposal of Surplus Goods) have, in my opinion, been unshaken by any of the arguments which have been put before the Sub-Committee by opponents of that Scheme. No opponent of the Scheme has been able to put up a convincing case against it, and none has attempted to offer alternative proposals. It is, indeed, almost admitted in the Report that the Central Marketing Scheme has been abandoned, not because it has been shown to be unsound, but because the Sub-Committee is convinced that Workshops will not have it.

I cannot withdraw my support from the Central Marketing Scheme merely because certain people, for various reasons, do not like it.

The alternative scheme suggested is, in my opinion, defective in many particulars, and I do not feel able to be a party to it. The

Central Marketing Scheme, whatever its shortcomings, had been thought out in as much detail as was possible, short of actual experiment. The Regional substitute, suggested in the conclusion of the Sub-Committee's report, is half-baked. Furthermore, it does not attempt to grapple with the whole problem.

One of the objects of the Central Marketing Board was to market the goods of Areas which are at present insufficiently canvassed, in areas where few Blind goods are sold. The necessity of this is admitted in the Sub-Committee's report—paragraph 34 (d). Regional Schemes in more or less water-tight compartments would have to depend upon the resources of their own regions only.

Of far greater importance is the question of Quality, to which so much attention is devoted in the Central Marketing Scheme. The governing Body of that Scheme was to have been a panel of independent business men, unconnected with any Workshop, who, through their agents or inspectors, would have satisfied themselves of the quality of all goods handled by the Board. The regional schemes suggested, on the other hand, are to be governed by unwieldy and unpractical Committees, largely composed of representatives of the Workshops themselves. It is quite clear that such Bodies would not and could not effectively control the quality of goods to the extent of penalising, or even expelling, some of their own number.

In my opinion the question of quality is the crux of the whole problem, and no scheme which ignores the fact that the quality of a very large proportion of the goods manufactured will have to be raised to and maintained at a much higher level, is of any practicable value.

It is not clear to me why the Regional Schemes are considered more likely to be acceptable to Workshops than a National Scheme, since those features of a National Scheme, which are repugnant to certain members, would, of necessity, be present in the Regional Schemes, if these were to be effective.

No great attention appears to have been given to the question of financing the scheme, and it is not stated whether the Regional Boards are expected to be more, or less, costly than the National Scheme. In my opinion they would, in the aggregate, be very much more costly.

In my judgment, the need for a Central Marketing Board to dispose of the surplus products of Blind Workshops becomes greater every day, but that to secure agreement upon such a subject in existing circumstances is impossible. In other words, some official pressure will be necessary in order to secure co-operation in Marketing, whether nationally or locally.

H. WILLANS.

APPENDIX I.

LIST OF WITNESSES.

Mr. S. W. Starling	...	...	...	Chairman of the Association of Workshops for the Blind.
Lieut.-Col. H. Willans, D.S.O., M.C.				Hon. Secretary of the Association of Workshops for the Blind.
Mr. A. W. Cooper	...	...	...	Manager, Blind Employment Factory, Waterloo Road, London, S.E.1.
Mr. A. Platt	...	...	...	Secretary and Manager, Hull and East Riding Institute for the Blind, Hull.
Mr. W. H. Thurman	...	...	...	Director, Henshaw's Institution for the Blind, Manchester.
Mr. W. P. Swann	...	...	...	Superintendent and Secretary, Incorporated Institution for the Blind and the Deaf and Dumb, Leeds.
Mr. M. Priestley	...	...	...	Superintendent and Secretary, Royal Midland Institution for the Blind, Nottingham.
Mr. J. Dunning...	...	...	...	Manager, Liverpool Workshops and Home Teaching Society for the Outdoor Blind, Liverpool.
Mr. W. E. Johnson	...	...	...	Manager and Secretary, Royal Institution for the Blind, Bradford.
Mr. W. McG. Eagar	...	...	...	Secretary-General, National Institute for the Blind.
Mr. W. Bastin	...	...	...	Workshop Foreman, West of England Institution for the Blind, Exeter.
Mr. B. Purse	...	...	...	Services to the Blind Department, National Institute for the Blind.
Mr. J. B. Roberts	...	...	...	Formerly Workshops Manager, Henshaw's Institution for the Blind, Manchester.

APPENDIX II.

STATISTICS of the HOME WORKERS SCHEMES of—

- (a) THE BIRMINGHAM ROYAL INSTITUTION FOR THE BLIND; and
 (b) THE NATIONAL INSTITUTE FOR THE BLIND.

(a) BIRMINGHAM ROYAL INSTITUTION.

Administrative and Selling Costs for the year ended 31st March, 1932.

	Total Costs.	Administra- tive Costs.	Selling Costs.
	£	£	£
Salaries and Wages	1,381	1,213	168
National Health Insurance	27	27	—
Carriage	87	87	—
Exhibition and Selling Expenses	240	—	240
Sundries	39	20	19
Travelling and Cars	248	248	—
Printing, Stationery and Postage, Rents, Rates, Lighting, Telephone and Insur- ance	41	41	—
Tools and Equipment	450	450	—
Depreciation on Car	60	60	—
Management Expenses	165	165	—
Total	2,816	2,344	472

	No. of Workers.	Total Cost.	Cost per head.
		£	£
Total costs on average number of workers over the year	155	2,816	18·17
Administrative costs on average number of workers over the year	155	2,344	15·12
Selling costs on average number of selling workers over the year	102	472	4·62

	£		£
Commencing Stock	671	Sales	1,618
Add purchases	1,485		
	2,166	Purchase price of above	
Deduct finishing Stock	541	sales	1,625
Goods sold	1,625	Loss—0·43%	7

Average weekly earnings	Men 17s. 1d.	Women 7s. 9d.
„ „ augmentation	„ 13s. 3d.	„ 12s. 2d.

The Sales figure stated above does not represent the total output of the Home Workers, many of whom sold a considerable quantity of goods themselves.

(b) NATIONAL INSTITUTE FOR THE BLIND.

	1928-29.	1929-30.	1930-31.
	£	£	£
Stock—Manufactured Goods	1,781	1,937	3,088
Articles bought by scheme from Home Workers	4,672	6,295	7,530
Sale of Finished Goods*	8,048	10,874	11,511
Total earnings of Home Workers	8,640	10,107	11,703
Augmentation paid to Home Workers	3,606	4,255	5,809
<i>Total</i>	12,246	14,362	17,512
Number of Home Workers	231	260	280
Average per Home Worker	£53·01	£55·24	£62·6
<i>Average weekly earnings—</i>	s. d.	s. d.	s. d.
Basketmakers	18 7	20 9	20 1
Matmakers	12 3	13 8	15 8
Brushmakers	13 7	16 10	18 10
Tuners	26 8	28 8	28 9
Boot-repairers	11 8	23 0	23 7
Hand Knitters	5 6	5 1	5 8
Machine Knitters	9 7	10 9	10 11
Woodchoppers	16 4	17 8	18 6
Chair seaters	11 3	11 8	10 1
Music Teachers	16 7	17 9	16 5

* This figure differs from the figure of total sales over page by the amount received by the Home Workers Department on account of piano tuning contracts undertaken by the Department. The amount in question is not large, e.g. in 1930-31 it was £403.

							1930-31.	1931-32.
							£	£
<i>Total Sales</i> ...	...	...	...	...	...	...	11,108	11,721
Baskets ...	...	...	...	...	...	...	2,929	2,690
Brushes ...	...	...	...	...	...	...	3,379	4,268
Mats ...	...	...	...	...	...	...	2,522	1,829
Knitting ...	...	...	...	...	...	...	1,959	2,563
Carpentry and Sundries	...	...	...	...	...	...	319	371

							1930-31.	1931-32.
							£	£
London Shop ...	...	...	...	...	...	...	1,564	1,386
Reigate Shop ...	...	...	...	...	...	...	667	445
Exhibitions, etc. ...	...	...	...	...	...	...	3,249	3,083
Canvassers ...	...	...	...	...	...	...	2,487	3,502
Mail Orders, etc. ...	...	...	...	...	...	...	3,141	3,305
							£11,108	£11,721

Sales by Areas.

							1930-31.	1931-32.
							£	£
London ...	...	...	...	...	...	...	1,736	1,642
Surrey... ..	...	...	...	...	...	...	3,250	3,076
Kent ... ..	...	...	...	...	...	...	727	787
Sussex... ..	...	...	...	...	...	...	1,555	1,590
Hampshire ...	...	...	...	...	...	...	656	1,269

Occupations in the Home Workers' Scheme.

					1930.	1931.	4-5-32.
Machine Knitting	...	...	...	...	55	61	57
Weaving ...	...	...	...	...	1	2	2
Hand Knitting	...	...	...	...	18	13	11
Baskets (general)	...	...	...	...	35	39	44
„ (Pulp cane)	...	...	...	...	10	7	7
Chair Seating	...	...	...	...	25	24	22
Matmaking	...	...	...	...	21	18	20
Piano Tuning	...	...	...	...	71	81	84
Wood Chopping	...	...	...	...	8	8	7
Music Teaching	...	...	...	...	6	7	6
Carpentry ...	...	...	...	...	2	2	2
Boot Repairing	...	...	...	...	5	6	9
Brushmaking	...	...	...	...	3	3	3
Total	...	...	...	...	260	271	274

Administrative and Selling Costs.

	1931-32.			1932-33.		
	Total.	Admin.	Selling.	Total.	Admin.	Selling.
	£	£	£	£	£	£
Salaries and Wages ...	3,906	2,695	1,011	3,997	2,708	1,064
			200			225
Commission	178	—	178	178	—	178
Health and Unemploy- ment Insurance ...	104	104	—	103	103	—
Postage and Carriage ...	789	489	300	716	395	321
Maintenance of Motors...	980	255	725	1,106	316	790
Exhibition and Selling Expenses	456	—	456	463	—	463
Sundries	70	23	47	52	28	24
Travelling and Cars ...	469	186	283	458	190	268
Printing and Stationery	554	226	328	472	190	282
Rents, Rates, etc. ...	271	271	—	331	331	—
Fuel, Light and Cleaning	113	113	—	77	77	—
Repairs and Alterations to Premises	101	101	—	90	90	—
Depreciation	327	327	—	352	352	—
Management (H/Q) ...	349	349	—	353	353	—
Total, previous year ...	8,667	5,139	3,528	8,748	5,133	3,615
	8,359	5,203	3,156	8,667	5,139	3,528
	Inc. 308	Dec. 64	Inc. 372	Inc. 81	Dec. 6	Inc. 87
	Inc. 3·7%	Dec. 1·2%	Inc. 11·8%	Inc. ·93%	Dec. ·1%	Inc. 2·46%

Administrative and Selling Costs per head of Workers.

	1931-32.			1932-33.		
	No. of Workers.	Cost.	Per Head.	No. of Workers.	Cost.	Per Head.
<i>Total Costs.</i>		£	£ s. d.		£	£ s. d.
On average number of workers over year...	274	8,667	31 12 7	274	8,748	31 18 6
<i>Administrative Costs.</i>						
On average number of workers over year...	274 1% Inc.	5,139	18 15 1	274	5,133	18 14 8
<i>Selling Costs.</i>						
On average number of selling workers over year	166 1·8% Inc.	3,528	21 5 1	167 ·6% Inc.	3,615	21 13 0

NATIONAL INSTITUTE FOR THE BLIND—CANVASSING VANS.

Schedule of Costs and Returns for Period September—November, 1933.

	<i>Surrey.</i> 1930 <i>Morris.</i> 12 cwt. (Garaged at Depot). per week. £ s. d.			<i>Sussex.</i> 1933 <i>Morris.</i> 15 cwt. (Horsham). per week. £ s. d.			<i>Hampshire.</i> 1933 <i>Morris.</i> 15 cwt. (Fareham). per week. £ s. d.		
Canvassers' Salary ...	2	5	0	2	5	0	2	5	0
Drivers' Salary ...	1	5	0	1	5	0	1	5	0
Commission :—									
Canvassers' ...	1	4	6	1	0	4	0	19	11
Drivers' ...	0	12	0	0	8	11	0	8	7
Tax ...	0	5	0	0	5	9	0	5	9
Insurance ...	0	2	5	0	2	5	0	2	6
Depreciation ...	0	11	6	0	19	0	0	14	2
Petrol ...	0	13	4	1	0	5	1	15	1
Oil ...	0	3	9	0	1	0	0	2	3
Garage and Stock Rooms	Nil			0	9	0	0	5	6
Running Repairs ...	0	11	7	0	1	11	0	12	7
	£7 14 1			£7 18 9			£8 16 4		
	<i>Average miles</i> <i>per week</i> 285			<i>Average miles</i> <i>per week</i> 336			<i>Average miles</i> <i>per week</i> 476		
	<i>Cost.</i> 6·4d. per mile.			<i>Cost.</i> 5·6d. per mile.			<i>Cost.</i> 4·4d. per mile.		
	<i>Takings for period</i> <i>Sept.—Nov.</i> £422.			<i>Takings for period</i> <i>Sept.—Nov.</i> £410.			<i>Takings for period</i> <i>Sept.—Nov.</i> £401.		
	<i>Average Weekly Returns.</i> £32			<i>Average Weekly Returns.</i> £31			<i>Average Weekly Returns.</i> £30		
	<i>Percentage of Weekly Costs to Takings.</i> 24%			<i>Percentage of Weekly Costs to Takings.</i> 25%			<i>Percentage of Weekly Costs to Takings.</i> 29%		

APPENDIX III.

WORKSHOP OR TRADING ACCOUNT for Year ended 31st March, 193 .

I.—TRADING ACCOUNT. (See Note 1.)

	Material and own Manufactured Goods	Goods for Factoring.	£ s. d.		Material and own Manufactured Goods	Factored Goods.	£ s.
To STOCK :— (On hand at 1st April.) (See Note 4.)	£ s. d.	£ s. d.		By SALES :— (See Note 1.)	£ s. d.	£ s. d.	
Brush Dept.				Brush Dept.			
Basket „				Basket „			
Bedding „				Bedding „			
Mat „				Mat „			
Etc. (specify)				Etc. (specify)			
Total ...				Total ...			
To PURCHASES :— (During Year.)	Material.	Goods for Factoring.		By STOCK :— (On hand at 31st March.) (See Note 4.)		Goods for Factoring.	
Brush Dept.				Brush Dept.			
Basket „				Basket „			
Bedding „				Bedding „			
Mat „				Mat „			
Etc. (specify)				Etc. (specify)			
Total ...				Total ...			
To Carriage inwards							
„ Productive Wages to Blind Workers (excluding National Insurance) :— (See Note 2.)				Note :—			
Brush Dept.				NUMBER OF BLIND WORKERS EMPLOYED :—			
Basket „							
Bedding „							
Mat „							
Etc. (specify)							
„ Productive Wages to Sighted Workers (excluding National Insurance) :— (See Note 3.)							
Brush Dept.							
Basket „							
Bedding „							
Mat „							
Etc. (specify)							
„ Gross Profit Carried Down ...							

II.—PROFIT AND LOSS ACCOUNT. (*See Note 5.*)

	£	s.	d.		£	s.	d.
To Unproductive Wages to Blind Workers ...				By Gross Profit brought down ...			
„ Unproductive Wages to Sighted Workers...							
„ National Health and Unemployment Insurance (<i>See Note 7</i>)				By Discount received ...			
„ Salaries, Management and Sale Shop ...							
„ Travellers' and Salesmen's Salaries, Commission, Expenses							
„ Audit and Professional Charges							
„ Rent and Rates (<i>See Note 6</i>)							
„ Fuel, Light, Power, Cleaning, Caretaker, Insurance and Telephone (<i>See Note 6.</i>) ...							
„ Repairs, Renewals and Maintenance (<i>See Note 6</i>)							
„ Printing, Stationery, Circulars, Postage and Packing (<i>See Note 6</i>)				By Loss ... transferred to General Charity Fund Account (<i>See Note 9.</i>)			
„ Bad Debts							
„ Discount allowed... ..							
„ Carriage Outwards and Delivery							
„ Depreciation							
„ Other expenditure (specifying subhead) ...							
„ Miscellaneous							

NOTES.

The object of this Trading Account and Profit and Loss Account is to show the true position of the Association's trading. Training is a separate matter, with regard to which separate accounts have to be rendered to the Board of Education, and items properly included in the Training Account should be excluded from the Trading and Profit and Loss Accounts.

PART I.—TRADING ACCOUNT.

1. This account should be limited to items directly concerned with production, and should differentiate by departments between goods manufactured by the Workshop and those purchased for re-sale.

2. The item "Productive Wages" should embrace only such wages as are paid to Blind or Sighted persons for the actual processes of production, unaugmented in any way. All augmentation and gratuitous payments to Blind persons should be charged to the General Charity Fund Account.

3. Where functions are allocated to Foremen outside the scope of manufacture—e.g., giving instruction to trainees—their wages should be strictly apportioned, and only wages attributable to manufacture included in this account.

4. The Stock on hand at 1st April and 31st March respectively should be valued at cost or current market rates, whichever is the lower. If further depreciation is made particulars should be given.

PART II.—PROFIT AND LOSS ACCOUNT.

5. This account should include wages of unproductive workers and overhead charges.

6. Items of expense should be shown in this account separately under their appropriate headings, and not transferred from the General Charity Fund Account under the single heading of "Proportion of Management Expenses chargeable to Trade." The proportion to be charged against the Profit and Loss Account of such items as "Rent," "Cleaning," "Maintenance," etc., if the items cannot be exactly apportioned, should be calculated according to the floor space occupied by the Industrial Department. The item for "Repairs, Renewals and Maintenance" relates to repairs properly chargeable to income in the trading account. Extensions if not charged to capital should be shown as extensions under "IV. Extraordinary" in the General Charity Fund Account.

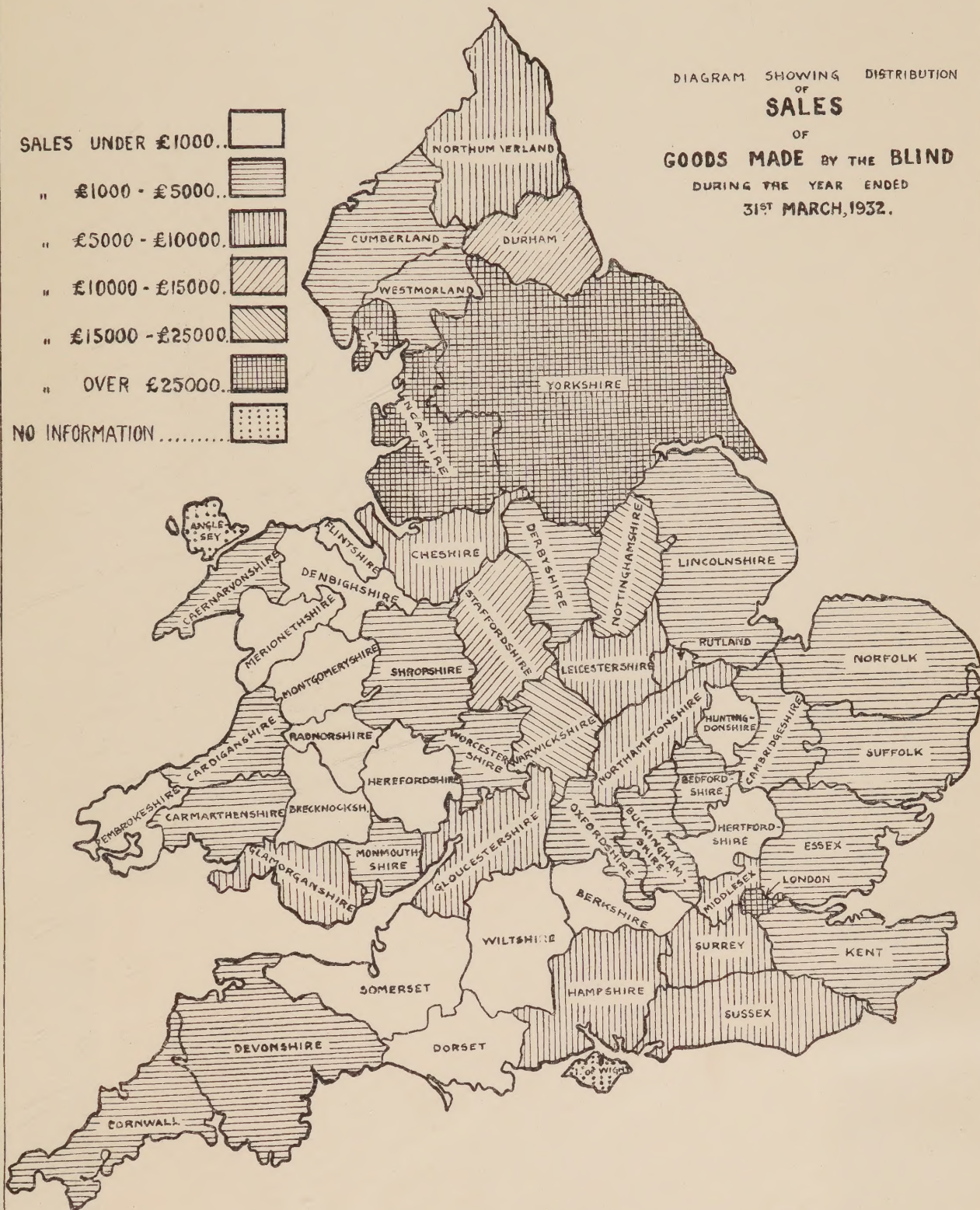
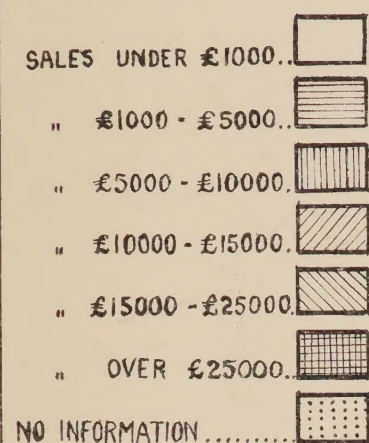
7. Where the Institution bears the cost of the worker's contribution to State Insurance the whole of this amount should be charged against the General Charity Fund Account.

8. Whenever possible, items should be entered under specific heads either as printed or under the heading "Other Expenditure" (specifying sub-heads), and the heading "Miscellaneous" should be limited to small amounts which cannot conveniently be classified otherwise.

9. If profit, enter on the other side of the account.

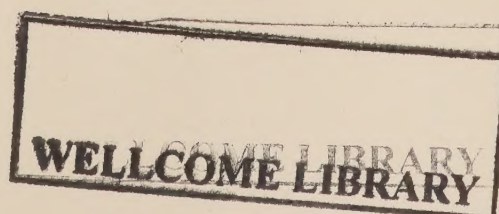
APPENDIX IV

DIAGRAM SHOWING DISTRIBUTION
OF
SALES
OF
GOODS MADE BY THE BLIND
DURING THE YEAR ENDED
31ST MARCH, 1932.



Prepared from information furnished by the Association of Workshops for the Blind.

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